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***CUSTOMERS' SATISFACTION ON  
SERVICE QUALITY OF PRIME  
BANK LIMITED***

**Internship Report**  
**On**  
**Customer's satisfaction On Service Quality Of Prime Bank Limited**



**Submitted To:**

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**BRAC University**

**Submitted By:**

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**ID: 09204066**

**15th June, 2014**

## Letter of Testimonial

15<sup>th</sup> June, 2014

Mahmudul Haq

Assistant Professor

BRAC Business School

BRAC University

66 Mohakhali, Dhaka-1212

### **Subject: Submission of Internship Report.**

Dear Sir

With due respect, I would like to inform you that, I am a student of BRAC Business School, BRAC University. It is an absolute pleasure for me to submit the internship report titled '**Customer's satisfaction On Service Quality Of Prime Bank Limited**' which has done as a part of the requirement of the course BUS-400. Your guideline has been followed in every aspect of preparing this report. I have really enjoyed working on this report and I have tried my level best to make an effective report. This report is focuses on both theoretical and practical knowledge.

Within the title limit I have made this report as comprehensive as possible. But there may be some mistakes due to various limitations. So I beg your kind consideration in this regard. I hope that my work would meet the level of your expectation. Any query on this report is appreciated.

Sincerely yours,

-----

Rumana Afroz

ID-09204066

BRAC Business School

BRAC University

## Acknowledgement

I have incurred many debts of gratitude over the while preparing for this report. First and foremost, I would like to pay my gratitude to the **Almighty Allah** for giving me the ability to work hard for this report. I am also grateful to my parents for supporting my efforts.

Internship Report is an essential part of B.B.A Program as one cannot gather practical knowledge and experience without observing and doing work at chosen Organization. It is a matter of pleasure that my internship at Prime Bank Limited.

I am very much fortunate that I have received almost and sincere guidance, supervision and co-operation from various persons while preparing this report. **First of all**, I express heartiest gratitude to my supervisor Mahmudul Haq, Assistant Professor, BRAC Business School, BRAC University for his continuous proper and perfect guidance, inspiration, affectionate encouragement and valuable suggestions throughout this internship period.

**Secondly**, I would also like to thanks Md. Abdul Bari Molla , SAVP, Head of Branch and Shahid Uddain Ahamad, Manager Operation of Prime Bank Limited, Baridhara Branch for being patient and supporting me throughout my internship program. My endless thanks go to my excellent supervisor Farzana Saima Siddique, Officer of GB. They have all provided their precious time and effort to me throughout my time at the bank. My gratefulness goes to entire members of Prime Bank limited for helping me to prepare this report through providing necessary information.

**Finally**, this acknowledgement will remain incomplete, if I don't recognize the due responsibilities and valuable advice of all of my friends, superiors and seniors for helping one me in completing this report & making this worthy successful in due time.

## Executive Summary

Prime Bank Limited (PBL) was established on 17<sup>th</sup> April, 1995 with an authorized capital of Tk. 1000 Million and paid up capital of Tk. 100 Million (raised to Tk. 200 Million in 1997) by a group of highly successful entrepreneurs from various fields of economic activities such as shipping, oil, finance, garments, textiles and insurance etc. It is a full licensed scheduled commercial bank set up in the private sector in pursuance of the policy of the Government to liberalize banking and financial service.

This report based on the internship program, partial requirement for the Bachelor of Business Administration in BRAC University Bangladesh. The main objective of this report is to find out customers' satisfaction on service quality of Prime Bank Limited. Internship in Prime Bank was a great practical experience for my career life.

The report discusses about the customer satisfaction level of Prime Bank Limited. This report is divided into five chapters. First chapter contains the introductory part of this report which implies a short description about banking scenario in Bangladesh.

Second chapter includes the organizational profile. It is about the organization upon which the report has been prepared. It contains the particulars of the organization through which the organization can be recognized. Mission, goal, Corporate Philosophy, Strategic Priority, Ethics, Organizational structure, corporate social responsibility, SWOT analysis, products and services , Financial Performance etc are discussed in this part. A simple discussion over HRM is also included in this part.

Third chapter deals with my internship activities. It means the nature of job and the specific responsibilities of the job which I performed at my work place during my internship period; everything is broadly discussed in this part.

The fourth part is the project part which includes Origin of the Report, Objective of the Report, Methodology, Scope of the Study, Limitations of the Study, Literature Review, Analysis, Findings and Recommendations.

A short conclusion has been drawn in the later part of the report.

## ACRONYMS

PBL	<b>Prime Bank Limited</b>
CSR	<b>Corporate Social Responsibility</b>
TT	<b>Telephonic Transfer</b>
PO	<b>Pay Order</b>
FDR	<b>Fixed Deposit</b>
SND	<b>Short Notice Deposit</b>
MSS	<b>Monthly Saving Scheme</b>
SME	<b>Small Medium Enterprises</b>
ATM	<b>Automated Teller Machine</b>
AD	<b>Authorized Dealer</b>
CRISL	<b>Credit Rating &amp; Information Services Ltd.</b>
BB	<b>Bangladesh Bank</b>
MD	<b>Managing Director</b>
MTO	<b>Management Trainee Officer</b>
TO	<b>Trainee Officer</b>
HRM	<b>Humana Resource Management</b>

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# Chapter 1

## Introduction

Banks play a crucial role in economic development. For an economy money is one of the most important and essential elements which can be compared with blood of our body when financial institution like bank act as a artery system of the economy. Banking system occupies an important place in a nation's economy because of its intermediary role; it ensured allocation and keeps up the momentum of economic activities. Bangladesh economy has been experiencing a rapid growth since the 90's. Urbanization and lifestyle changes concurrent with the economic development created demand for banking products and services. From the beginning to today bank is playing an important role in our economy. For the local community, banks provide access to funding and financial services to both local business and citizens, as well as the money banks invest back into the community through employee payroll, business investments, and taxes. First of all banks cater the need of society by mopping up deposits as different forms like savings, MSS, FD, SND and many other options at reasonable rates. Also bank provide credit facility to high end investors for big projects in the industrial, infrastructure and service sectors. Also SME sector get credit facility from financial institutions to establish new business as well as for expanding their existing business. It means financial institution acts like an intermediary who receive money from surplus unit and deliver that money to the deficit unit. So it is proved that without financial institutions many students could not obtain proper education, many families could not buy their own house to live, industry could not grow up and government could not provide public services to mass people.

The modern central bank is an institution responsible not only for the maintenance of economic stability; it also performs a variety of developmental and promotional functions of a countries economy. Bangladesh pursues a liberal market economy. Bangladesh Bank is the Central Bank of Bangladesh and the chief regulatory authority in the sector, which is responsible for promoting healthy growth and development of the banking system. So, without any doubt we can say that from very first emergence and inception of modern civilization, bank plays a pivotal role in case of overall financial and socioeconomic development of any modern country.

Prime Bank Limited (PBL) is a fully licensed commercial bank incorporated on 1995 as a public limited company under the Companies Act 1994, which is sponsored by reputed personalities in the field of trade and commerce.

# Chapter -2

## Organizational Profile

## 2.1 Background of Prime Bank Limited:

Generally by the word “Bank” we mean a financial institution dealing with money. A bank can be defined as a financial organization which receives, collects, transfers, pays, exchanges, lends, invests, or safeguards money for its customers. In the backdrop of economic liberalization and financial sector reforms, a group of highly successful local entrepreneurs conceived an idea of floating a commercial bank with different outlook, from where Prime Bank was created.

The Prime Bank Limited is scheduled bank that was incorporated under the companies Act 1994, established in April 1995 by a group of visionary entrepreneurs, which is known for its superior service quality, brand image, strong corporate governance and corporate culture. It is now one of the banks in Bangladesh which follows international standard in Banking and Finance. Prime Bank has already made significant progress within a very short period of its existence. The bank has been graded as a top class bank in the country through internationally accepted CAMELS rating. The bank has already occupied an enviable position among its competitors after achieving success in all areas of business operation.

Prime Bank offers all kinds of Commercial Corporate and Personal Banking services covering all segments of society. Diversification of products and services include Corporate Banking, Retail Banking and Consumer Banking right from industry to agriculture, and real state to software. The bank is operating successfully through general banking, Islamic banking, SME banking, NRB banking, off-shore banking and has six fully owned subsidiary companies namely Prime Bank Investment Limited, Prime Bank Securities Limited, Prime Exchange Co. Pte Ltd, PBL Exchange (UK) Limited, PBL Finance (Hong Kong) Limited, Prime Bank Foundation. The Bank has already made a distinct mark in the realm of Private Sector Banking through personalized service, innovative practices, dynamic approach and efficient Management. The Bank, aiming to play a leading role in the economic activities of the country, is firmly engaged in the development of trade, commerce and industry thorough a creative credit policy.

## 2.2 Vision Statement:

A vision statement identifies what the company would like to achieve or accomplish for the midterm or long term future. Each and every organization has a vision and mission based on that they are conducting their business to reach the desire position and contribute their level best to reach the ultimate destination. Prime Bank Ltd has also a vision which states that-

“To be the best Private Commercial Bank in Bangladesh in terms of efficiency, capital adequacy, asset quality, sound management and profitability having strong liquidity.”

## 2.3 Mission Statement:

Mission Statement of Prime Bank Limited is-

“To build Prime Bank Limited into an efficient, market-driven, customer focused institution with good corporate governance structure.”

“Continuous improvement of our business policies, procedure and efficiency through integration of technology at all levels.”

## 2.4 Corporate Philosophy:

### For our Customers

- To provide the most courteous and efficient service in every aspect of its business. To be innovative in the development of new banking products and services.

### For our Employees

- By promoting their well-being through attractive remuneration and fringe benefits.
- By promoting good staff morale through proper staff training and development, and provision of opportunities for career development.

## For our Shareholders

- By forging ahead and consolidating its position as a stable and progressive financial institution.
- By generating profits and fair return on their investment

## For our Community

- By assuming our role as a socially responsible corporate citizen in a tangible manner by adhering closely to national policies and objectives thereby contributing towards the progress of the nation.
- By upholding ethical values and best practices.
- Constantly seeking to improve performance by aligning our goals with stakeholders' expectations because we value them.

### 2.5 Strategic Priority:

- Diversify loan portfolio to avoid excessive concentration to particular sectors as well as to invest funds in productive industries
- Need to grow business in SME and Retail portfolio development at least by 36%
- Economic capital frame work to be implemented to derisking the Balance Sheet for the potential unexpected losses that are associated with each individual activity
- Greater emphasis to serve potential and unbanked population of the country providing banking services to under-served areas with the scaling up of various pilot initiatives
- Allocation of capital through customer account review and transaction analysis and upon determining of risk-adjusted return on capital (RAROC) concepts basis
- Strengthening of Information Security Department to ensure secure technology in banking to enable safer banking service to customers

- Monitoring and strengthening of recovery drive to bring down the NPL below 3% to maintain asset quality at standard level
- Formation of Head line Corporate Business Team to provide one stop service to top 50 customers to ensure better services with maximum satisfaction for more business
- Maintain strong capital base by expediting borrowers' rating, concentrating on lending portfolio having lower capital charge, strengthening Internal Capital Adequacy Assessment Process (ICAAP)
- Improvement of deposit mix by maintaining efficient deposit mix, increase share of low cost and no cost deposit in total deposit, increase non-funded business
- Improve internal governance through strengthening good corporate cultures, motivation, training and supervision as per KPIs in all levels of management
- Conduct BPR (Business Process Re-engineering) in different functional areas to improve efficiency and bring in required structural change Integrated marketing effort by creating a customer-orientated culture, Branch archaeology study (in-depth research for brand strategy development), Brand Repositioning and extensive marketing for branding "Hasanah"
- Development in Human Resource Management System to motivate and retain the Human Resources and transform Human Resources to Human Capital through proper training in every aspects of working area
- Cost optimization at all levels of operation by ensuring budgetary control

## **2.6 Ethics, Integrity and Trust:**

Banking deals with public money where Ethics, Integrity and Trust is utmost important. Prime Bank upholds these principles in every section by its management and customer service. The following are the key principles of Employee Codes of Ethics and Business Conduct:

- Provide service to customers with uncompromising integrity, utmost respect, unwavering responsibility and dedicated citizenship
- Protect privacy and confidentiality of customer information

- Prevent money laundering and fraud

## 2.7 Product & Services:

The product and services offered by Prime Bank Limited to grab the attention of the customer are listed below-

### **Retail Banking:**

When a bank executes transaction directly with customers rather than corporations or other banks then it is known as retail banking. Retail banking service of Prime Bank Limited include

**1. Deposit:** One can place their money in Prime Bank for safekeeping. Bank deposits are made to deposit accounts at Prime Bank, such as:

- **Saving Account:** Prime Bank brings the ultimate trust, security and convenience for the customers in Savings Account. Any Bangladeshi national with an age of 18 years or above can open this.
- **Current Account:** Prime Bank brings Current Account in Taka which can be freely deposited and withdrawn. At the time of opening, this account is also accompanied by a Special Notice Deposit (SND) account.

**2. Deposit Schemes:** Prime Bank Limited has different types of attractive deposit scheme for their valued customers. Which are-

- **Double Benefit Deposit Scheme:** The deposit scheme shall be issued for 6 years 6 months term. After 6 years 6 months, terminal value will stand at Tk. 2 lacs from the initial fixed deposit of Tk. 1 lac. Minimum deposit is Tk. 10,000/- and multiples thereof with no ceiling on the upper limit at a time will be acceptable under this scheme.



- **Monthly Benefit Deposit Scheme:** This is a Deposit Scheme where the depositor gets a fixed amount of profit every month without disturbance of the principal. Deposit of Tk. 100,000.00 and multiples thereof and maximum Tk. 25.00 lac shall be acceptable for the Scheme. The Deposit shall be for a period of 1/2/3/5/7/10 years. The Principal amount is refundable on maturity.
- **House Building Deposit Scheme:** The tenor of the House Building Deposit Scheme will be 5/7/10 years. Minimum Equity building amount shall be Tk. 10.00 lac and maximum amount shall be 20 lac. HBL facility shall be considered on maturity upon application up to three times the equity but not exceeding Tk. 50.00 lac on compliance of loan formalities.
- **Education Savings Scheme:** The instrument shall be issued for 5 years. Deposit of Tk. 50,000/- and multiples thereof and maximum Tk 5.00 lac at a time will be accepted under the Scheme.
- **Lakhopati Deposit Scheme:** The tenor of the Lakhopati Deposit Scheme will be 3/5/10/15 years. Monthly installment shall be Tk. 2,400.00 /Tk. 1,285.00 /Tk. 500.00/Tk. 250.00 for the tenor of 3/5/10/15 years respectively. Terminal amount on maturity shall be Tk. 1.00 lac.
- **Prime Millionaire Scheme:** Monthly installment shall be Tk. 12,050.00 /Tk. 7,500.00 /Tk. 4,215.00/Tk. 3,015.00 for the tenor of 5/7/10/12 years respectively. Terminal amount on maturity shall be Tk. 10.00 lac.
- **Contributory Savings Scheme:** The Deposit shall be for a period of 5 years. Minimum size of monthly installment shall be Tk. 500/- and multiplies of Tk. 1000/-. Maximum installment size shall be Tk. 24,000/-. Loan may be allowed up to 80% of the deposited amount against lien on the same after at least 2 (Two) years of regular payment of installments and minimum limit of the loan shall be Tk. 50,000/-.
- **Laksma Puron Savings Scheme:** Minimum desired amount is BDT. 50,000. A customer can desire any amount in multiples of BDT. 10,000 i.e. BDT. 50,000/60,000/70,000 etc. Individual, Joint and Corporate Account can be opened. Depositor(s) can avail loan/ overdraft facility against pledge of Deposit Receipt up to 80% of the deposited amount upon after completion of at least 1 year.

- **Account 150%:** Deposit will be estimated 1.5 times of the initial deposit. The tenure of the investment period will be 3 years and 5 months. Minimum deposit amount BDT. 10,000.00. Any amount in multiple of BDT. 10,000.00 will be allowed to invest in the scheme. Any amount equivalent to 1 crore or more will be provided special incentives such as free Platinum card, internet banking facilities, free ATM Card etc.

### 3. Loans:

There are various types of loan services provided by the Prime Bank Limited to its customer for business or other purposes. These are given below-

- ✓ Swapnaneer Home Loan
- ✓ Swapnashaj Home Loan
- ✓ Swapnapuron Home Loan
- ✓ Abash Home Loan
- ✓ Car Loan
- ✓ Any Purpose Loan
- ✓ CNG Conversion Loan
- ✓ Doctor's Loan
- ✓ Marriage Loan
- ✓ Travel Loan
- ✓ Household Durables Loan
- ✓ Hospitalization Loan
- ✓ Education Loan
- ✓ Loan against Salary
- ✓ Carnival Loan

### 4. Cards:

Prime Bank provides different types of Debit card and Credit card to its customer as per their requirements to enliven their lifestyle.

- Debit Card:

- Prime Bank Master Debit Card
- Prime ATM Card
- Credit Card:
  - Master Card Gold Credit Card
  - Visa Gold Credit Card
  - Master Card Silver Credit Card
  - Visa Classic Credit Card
  - International Credit Card
  - Platinum Credit card

### **5. Locker Service:**

Prime Bank offers modern locker facility for safekeeping of valuables, jewellery, documents and other precious things. It's a secure and confidential service. Lockers are available in three size- Small, Medium and Large.

#### **Sizes and Rents of Lockers:**

**Small Size:** Tk. 2500 / Year

**Medium Size:** Tk. 3000 / Year

**Large Size:** Tk. 3500 / Year

### **6. Internet Banking: ALLTITUDE:**

For ongoing demand of modern Banking Prime Bank Limited provide the best service to their customer's door from any time, any where and any place among the Banking or financial arena. "ALTITUDE" is the latest real-time internet banking service of Prime Bank Limited where customer can access 24/7 instant Banking services through internet. There are so many key features of this service. "ALTITUDE" is highly secured which has been acknowledged and certified by **VeriSign** the World most renowned Certificate Authority (CA). Development and implementation of "ALTITUDE" have really opened a new era of Banking for the customers of Prime Bank Limited as the slogan of Internet Banking "ALTITUDE" perfectly describes "FEEL THE DIFFERENCE" as well as adds value to the Bank Business.

### **7. Phone Banking:**

Phone Banking Service provides 24/7 continuous support for the customers. The main services are Balance Inquiry, Change PIN, Activate ATM / Master Card, Block ATM / Master Card, Credit card available Limit check, Credit Card total outstanding check, Credit Card minimum payable amount check, Credit Card Last Statement Generation Date and Credit Card last date of payment check.

### **8. Utility Bills Pay Services:**

Prime Bank Utility Bills Pay service will enable to pay post-paid cell phone bills flexibly. Customer can avail the service at Prime Bank ATM booths or Information Kiosks round the clock. They need no to visit branches and bother standing in a queue not even need to carry cash to clear the bills. Prime Bank ATM/Master Debit Card holders can avail the service and make payments anytime at any Prime Bank ATM Booth free of charge.

### **9. SMS Banking:**

Prime Bank brings SMS Banking services to ensure instant access to customers account information at any time. Any mobile phone user having account of Prime Bank can get the service through the mobile phone upon registration. Balance Inquiry, Mini statement, Exchange Rate, Pin change, Requesting help etc are the services what SMS Banking offer.

### **10. Mobile Banking:**

EasyCash, Prime Bank Mobile Banking Service is a secured mobile financial service to access cash easily and conveniently using mobile phone technology. EasyCash can be accessed from anywhere at any time including remote rural areas of the country. The EasyCash Account model of Prime Bank works on the fundamental principle of giving everyone an access to a bank account and adding value to lifestyle of customers irrespective of social strata in Bangladesh.

### **11. Cash Back Service:**

Cash Back Service allows the debit cardholders of Prime Bank to meet instant requirement of cash through POS terminals of selected merchant points while shopping.

## **Corporate Banking:**

There are four units under Corporate Banking Service:

### **1. General Credit Unit:**

Prime Bank gives the credit facilities to finance current assets and loans to finance fixed assets in the form of Working Capital Finance, Capital Machinery Finance, and Real Estate Finance, Work order Financing/Construction Business, Import and Trade Finance. General Credit Products & Services are:

- ✓ Short-term Finance
- ✓ Long-term Finance
- ✓ Real Estate Finance
- ✓ Import Finance/Trade Finance
- ✓ Work Order Financing/Construction Business

### **2. Export Finance Unit:**

Prime Bank always gives priority to its export-oriented customers. To provide complete banking solutions to export-oriented customers Prime Bank has a separate Export Finance Unit. Different export-oriented companies comprising of Textile, Spinning, Knit, Woven, Sweaters, Jute, Leather, Fisheries and Trim/Accessories manufacturers are getting prompt banking services through our 27 AD branches, 3 OBUs and other non-AD branches under active support form Export Finance Unit, Head Office.

### **3. Structured Finance Unit:**

Prime Bank offers customized, friendly, and flexible financial solutions to customers and strives to ensure financing package in a cost-effective manner. Structured Finance Unit deals with project financing and covers virtually every sector of the economy with a focus on infrastructure projects, project finance, acquisition finance, securitization, and advisory services.

#### **4. Lease Finance Unit:**

Prime Bank provides one of the most convenient long term sources of loans in the industry for acquiring capital machineries and equipment under lease financing. It is a very popular scheme whereby a customer is given the opportunity to have an exclusive right to use an asset, usually for an agreed period of time, against payment of installments.

#### **Islamic Banking:**

Prime Bank started its operations in the year 1995 as 'A bank with a difference', blending its conventional banking system with that of Islamic Banking operations based on Shari'ah principles. Five of the branches of the bank provide Islamic Banking operations to serve the increasing demand of customers for Islamic products and services. In the year 2008, the bank has taken initiative to identify all of its Islamic banking activities by adopting a generic name of 'Hasanah' - the brand name for Islamic products and services of the bank.

#### **1. Hasanah Deposit Products:**

Hasanah Deposit Products are:

- Al-Wadeeah
  - ✓ Al-Wadeeah Current Account
  - ✓ Al-Wadeeah Concept
- Mudaraba
  - ✓ Saving Account
  - ✓ Term Deposit
  - ✓ Schemes
  - ✓ Mudaraba Concept

#### **2. Hasanah Investment Products:**

##### **Investments:**

Hasanah Home Investment (Manjeel)

Hasanah Auto Investment (Burak)

Hasanah Household Durables Investment (Asbab)

Hasanah Medical Investment (Shifa)

#### **3. Hasanah Foreign Trade:**

Islamic banking branches may finance foreign trade as per Shari'ah following import-export and foreign currency policy of the country. Foreign trade may be divided into 3 major categories:

- ✓ Import business
- ✓ Export business
- ✓ Different services related to foreign trade

#### **SME Banking:**

For small and medium enterprises Prime Bank Limited offered different types of loan to contribute to the growth in Bangladesh. Those are given below-

- ✓ Sahaj Rin (Collateral Free Loan)
- ✓ Sampad Rin (Capital Loan)
- ✓ Chalti Rin (Working Capital Loan)
- ✓ Moushami Rin (Seasonal Loan)
- ✓ Digun Rin (Double Loan)
- ✓ Anchol (Women Entrepreneurs' Loan)
- ✓ Prime Subidha Rin
- ✓ Prodip Rin

#### **NRB Banking:**

Prime Bank has set the highest priority to mobilize inward foreign remittance of Non-Resident Bangladeshi Nationals (NRB) living and working in different parts of the world. Their remittance service is Easy, Fast and Secured. The name of those services are-

- ✓ Foreign Remittance Services
- ✓ Account Facilities for NRBs
- ✓ Exchange Houses
- ✓ Wire Transfer Facilities
- ✓ Remittance and Fund Transfer

## 2.8 Awards & Achievements:

Prime Bank Limited has got lots of awards and achievements because of its sustained financial performance and product management. Some awards are-

- ✓ 12th Bangladesh Awards DHL -The Daily Star
- ✓ The BIZZ 2012 Inspirational Company Award
- ✓ ICAB National Award 2010-Best Published Accounts & Reports
- ✓ SAFA Award 2010-Best Published Accounts & Corporate Disclosures in Banking Sector
- ✓ ICMAB Best Corporate Award 2010
- ✓ International Star for Leadership in Quality (ISLQ) Award 2010-Business Initiative Directions (B.I.D.) Paris, France
- ✓ Prime Bank wins 1st Prize in 11th ICAB National Awards
- ✓ ICAB National Awards-2003 for Best Published Accounts and Reports Second Prize Financial Sector (Banking)
- ✓ FNS Award-2005 Best Performing Local Bank
- ✓ ICMAB Best Corporate Performance Award 2008 First Position (Jointly)

## 2.9 Corporate Social Responsibility:

### Investment in Education:

**1. Education Support Program:** Believing education as a tool for social change, Prime Bank Foundation is launched an Education Support Program in 2007 for underprivileged but meritorious students from across the country.

**2. Prime Campus:** Prime Campus, an English medium school in Uttara, Dhaka, was created by Prime Bank Foundation in 2008 as an alternative to the expensive English primary schools at an affordable charge schedule.

### Work with Handicap Population:

Investment in eradicating and preventing different disabilities such as drug addicts, blindness etc; setting up vocational training centers; undertake mass awareness raising campaigns etc.

### Dristy Daan Project:



Setting a target of sight restoration of 1200 poor/ultra poor citizens of the country, the Prime Bank Foundation started off the Dristy Daan project in 2007. A total of 1357 poor/ultra poor cataract patients were operated till date.

**Health Care:**

Prime Bank support hospital like Vellore CMC Health Care, Universal Health Care Centers; Eye Hospitals; Health Support to garment workers The bank provides health centers and a teachers' training college under Diabetes Association of Bangladesh. The bank has also provided financial support to a socio-medical project "healthline" (accessible by dialing "789" from Grameen Phone network) by Telemedicine Reference Center Limited (TRCL) The bank supported TRCL to start an Intensive Diabetes Management (IDM) services program in Bangladesh under "amcare".

**Environment:**

Activities related to the prevention of environment degradation and promotion of environment; support people living in the coastal and 'char' areas etc.

**Support Martyr Family:**

Prime Bank supported the Martyr families of BDR carnage and donated Tk 2.5 million to Prime Minister's Relief Fund.

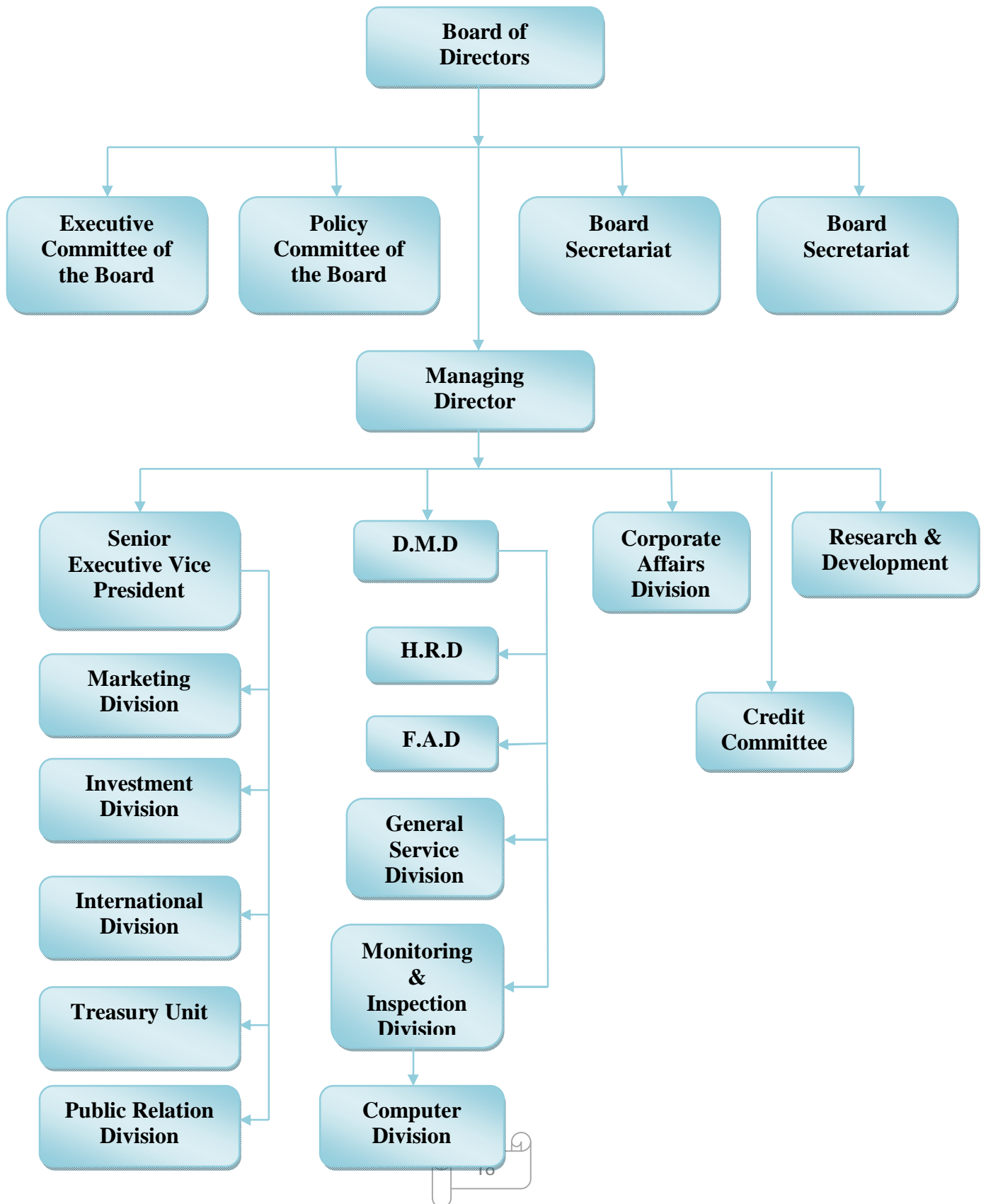
**Games and Sports:**

Financial assistance was provided to Bangladesh Cricket Control Board for development of the game. The Bank participated in major sponsorship programs viz. Golf, Tennis to popularize the same among the public.

**Other CSR activities of the Bank:**

- ✓ Donations of Passenger cum bed lift to Sylhet Diabetic Association Hospital.
- ✓ Sponsoring 20 KVA Diesel Generator for Department of Dhaka University
- ✓ Construction of Shahbag Foot Over Bridge
- ✓ Awareness Campaign at the three international airports of the country against swine flu.
- ✓ Improvement at Kamalapur Railway Station, Dhaka
- ✓ Blankets and winter-clothes distribution among the winter distressed people of the society

**2.10 Organizational Structure of PBL:**



## 2.11 Organogram of Prime Bank Limited:



## 2.12 Financial Performance of Prime Bank Limited:

### **Credit Rating:**

CRISL reaffirmed long term rating of PBL to “AA” and short term rating to “ST-2” based on financials up to December 31, 2013.

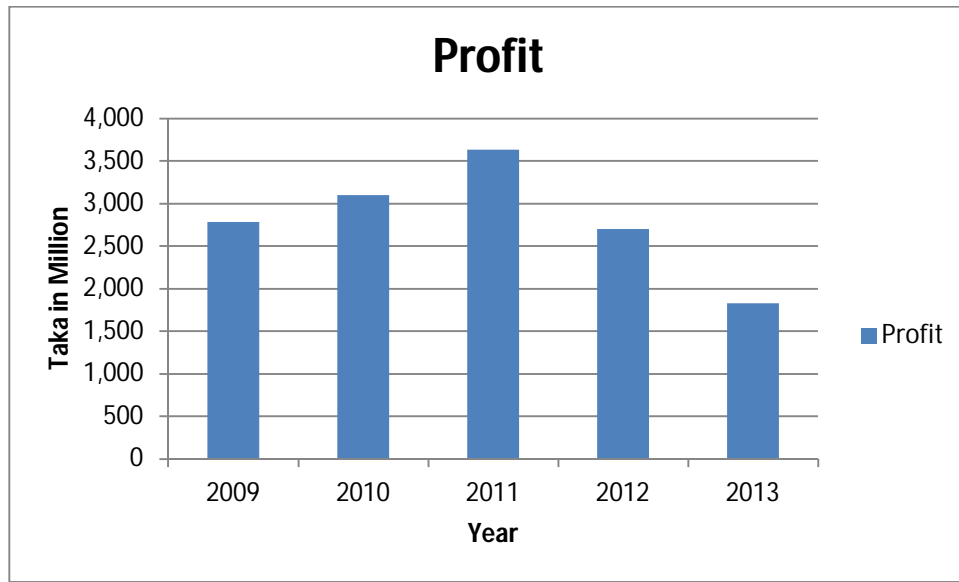
### **Rating by Crisl:**

	2013	2012
CRISL		
Long Term	“AA”	“AA+”
Short Term	ST-2	ST-1
CRAB		
Long Term	“AA2”	-
Short Term	ST-2	-
Outlook	Stable	
Date of Rating	June 30, 2013	

### **Profit of PBL:**

On December 31, 2013 the profit after tax of PBL is 1829 million taka which was 2699 million taka last year and 3634 million taka in 2011. Profit of PBL is in decreasing trend.

Year	Taka in Million
2009	2,784
2010	3,102
2011	3,634
2012	2,699
2013	1,829

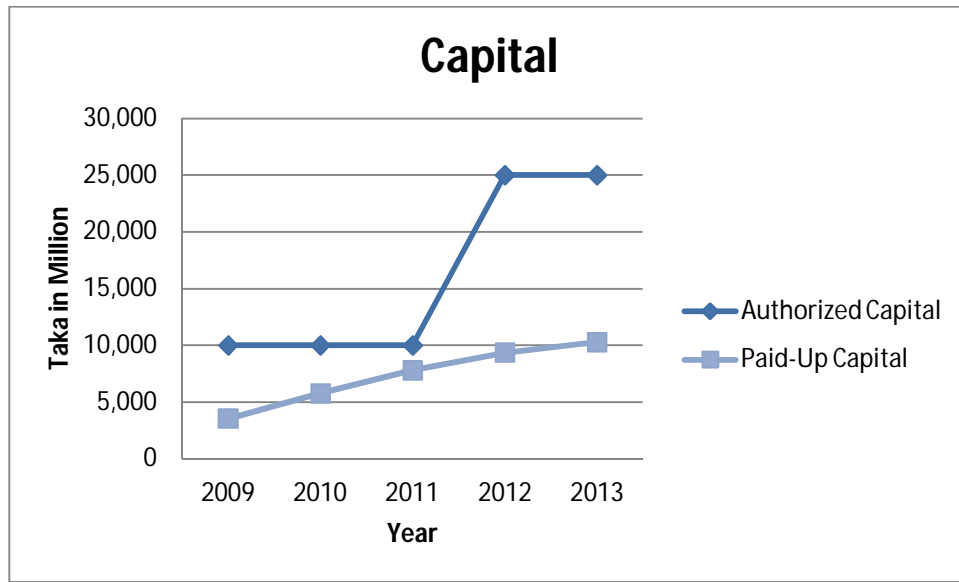


**Figure: Profit after Tax (Taka in Million) of Prime Bank Limited**

**Capital (Authorized & Paid-Up):**

The authorized capital has stood at TK 25,000 million as on 31st December 2013 and paid up capital stood at TK. 10,293 million.

Year	Authorized Capital ( Tk in Million )	Paid-Up Capital ( Tk in Million )
2009	10,000	3,555
2010	10,000	5,776
2011	10,000	7,798
2012	25,000	9,358
2013	25,000	10,293

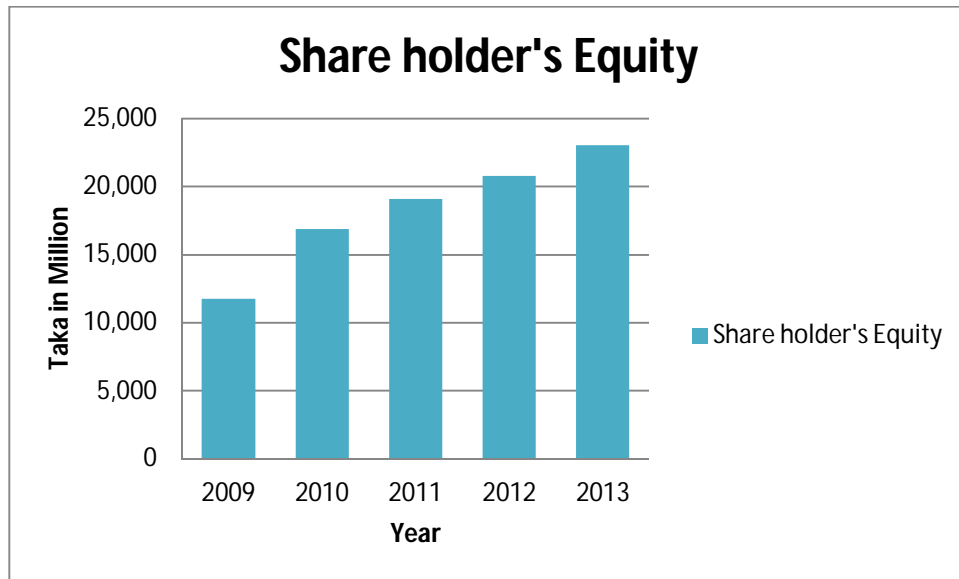


**Figure: Capital (Authorized and Paid-Up) of Prime Bank Limited**

**Shareholder’s Equity:**

On December 31, 2013 the total amount of shareholder’s equity is 23,030 million taka, which was 20,787 million taka last year, which is in an increasing trend.

Year	Taka In Million
2009	11,745
2010	16,908
2011	19,095
2012	20,787
2013	23,030

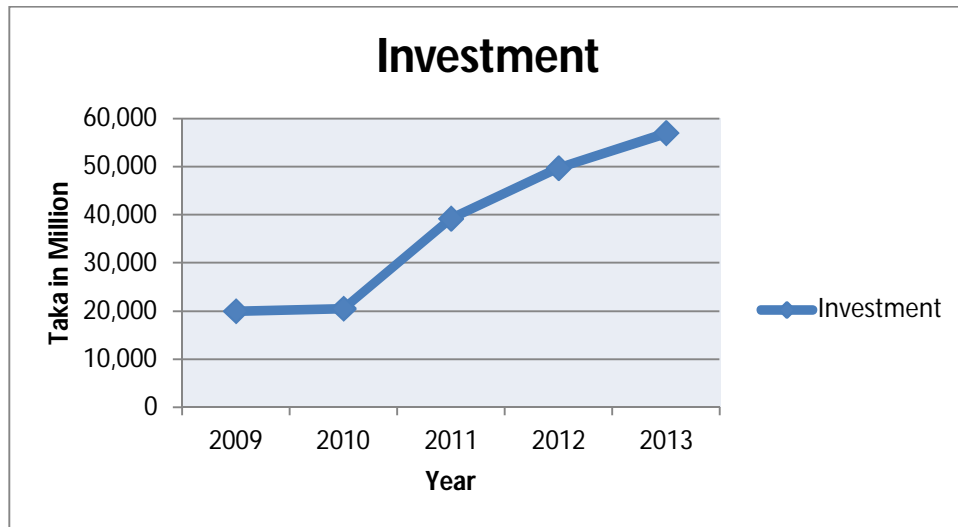


**Figure: Share holders' Equity (Taka in Million) of Prime Bank Limited**

#### **Investments:**

The total amount of investment is 56,940 million taka on December 31, 2013 which was 49,670 million taka in 2012. The amount has increased by 7,270 million taka. The notable investment represents development in Treasury bills and shares, Prize bond and others.

Year	Taka In Million
2009	19,934
2010	20,484
2011	39,172
2012	49,670
2013	56,940



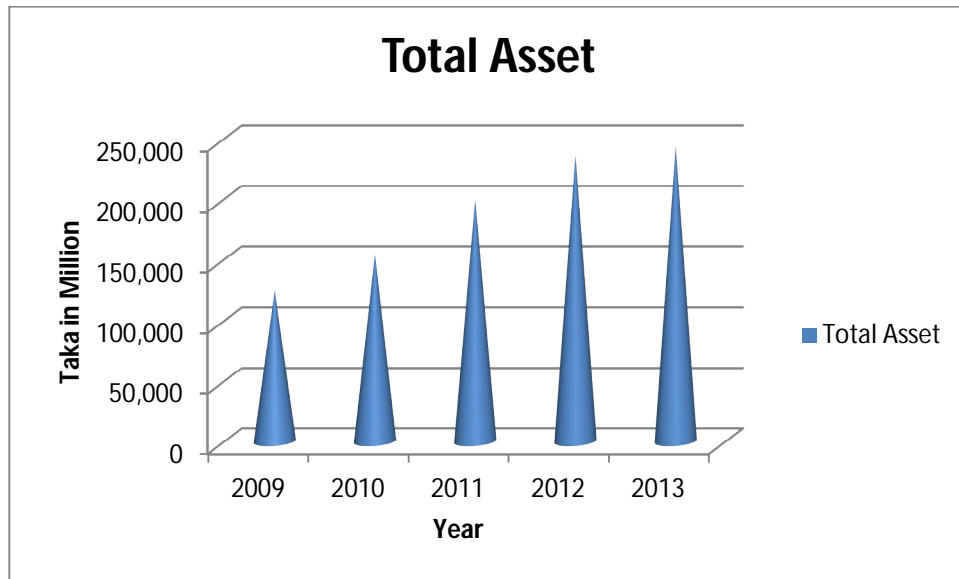
**Figure: Investment of Prime Bank Limited**

**Total Asset:**

Total asset of PBL is in increasing trend. On December 31, 2012 it was 236,833 million taka and in 2013 it has become 243,869. The amount has increased by 7,036 million taka.

Year	Taka In Million
2009	124,806
2010	154,342
2011	199,950
2012	236,833
2013	243,869





**Figure: Total Asset of Prime Bank Limited**

### **2.13 SWOT Analysis of Prime Bank Limited:**

SWOT analysis enables an organization to have a comprehensive insight about its current position in the industry compared to the competitors. It provides the organization a scope to improve strategically its position in the market. SWOT analysis is a simple but powerful tool for sizing up a company's resource capabilities and deficiencies, its market opportunities and the external threats to its future well-being. Appraising a company's resource strength and weaknesses and its external opportunities and threats, commonly known as SWOT analysis, provides a good overview of whether the company's overall situation is fundamentally healthy or unhealthy. On the basis of SWOT analysis, any business organization can craft a strategy that can be capitalized on the company's resources, can be captured the company's best opportunities, and can be defended against the threats to its well-being. Here, the internal strengths and weaknesses of Prime Bank Limited as well as the external opportunities and threats are discussed.

### **Strengths:**

The strengths of a company are the most important building blocks required for growth to take place. The following are a few of the most prevalent strengths of Prime Bank Limited:

- **Good Customer Service:** Prime Bank Limited provides quality services to the clients compared to its other contemporary competitors. The bank has a very good relationship with its customers. The bank believes in maintaining personal relationship with the customers. One of the major goals of this bank is to build long-term relationship with the customers and to create value for them.
- **Innovative Products:** Prime Bank Limited has offered various kinds of deposit schemes by which people have opportunity to save their small money and bank is able to earn more for themselves for their clients. Comparatively Prime Bank Limited offers more number of deposit schemes to customers.
- **Efficient Administration:** Prime Bank Limited has an efficient administration. The work is done in a timely and systematic manner for which the efficient administration is responsible. There is close relationship between the employees and management though the chain of command is maintained strictly. Overall, there is a good balance between the administration and the employees.
- **Capital Adequacy:** Prime Bank Limited is maintaining a strong capital base. The bank has now increased its authorized capital for its expansion program.

### **Weakness:**

Though Prime Bank Limited is a company that has many strengths but it also as well has some weakness of its own. The following are the most common weakness that Prime Bank has at the present time.

- **Training:** Prime Bank Limited has its own training institute PBTI (Prime Bank Training Institute) to strengthen the capabilities of human resources. However, there is a lack of specific training for specific jobs. As a result, the employees have to learn things from the job by doing it practically.

- **Promotion:** When an employee gets a promotion to the next level, he/she gets more compensation. Prime Bank Limited is regular in giving promotion but the employees get later effect of this promotion.
- **Motivation:** Prime Bank Limited has little motivational practice to improve its employees' performance.

### **Opportunities:**

An organization's opportunities are positive external environmental factors. An organization should explore all possible opportunities available to it. These opportunities are intended to improve the organization. By making improvements, the organization should be able to become more competitive in the market. The following are opportunities available to Prime Bank in order for it to become more aggressive.

- **Branch Expansion:** Prime Bank Limited is growing quickly all over the country. Besides expanding in the urban areas, Prime Bank Limited has prospects to open more branches that will eventually enhance the government's effort at receiving the rural economy as well as reaching more people by better service.
- **Training Facility:** Prime Bank Training Institute (PBTI) is supporting the bank by offering in house training courses, workshops and seminars. As the bank has its own training institute to enhance the capability of human resources, Prime bank Limited can use this opportunity to train their employees in specific areas and create specialized and expert people for the bank.
- **Banking Software:** Quality service providing is a major goals of Prime bank limited. The bank has the prospect to select high quality banking software, which will make the banking operations easier and smooth.

### **Threats:**

An organization's threats are negative external factors. An organization should explore all possible threats available to it. These threats are intended to diminish the organization. By making improvements and proper monitoring of the threats, the organization should be able to

turn more competitive in the market. The following are threats are available to Prime Bank in order to threaten its existence.

- **Level of Competition:** Competition is always a major threat for any organization. In recent years, the number of private bank is increasing. These banks always pose a threat for others by coming up with new product line, innovative technology, quality services, etc. Thus, the level of competition rises and creates threats for Prime Bank Limited.
- **Profit Declining:** Now-a-days different foreign and private banks are also offering similar type of products with an almost similar profit margin. So, if all competitors fight with the same weapon, the natural result is declining profit.

#### **2.14 Human Resource of Prime Bank Limited:**

An organization cannot build a good team of working professionals without good Human Resources. The key functions of the Human Resources Management (HRM) team include recruiting people, training them, performance appraisals, motivating employees as well as workplace communication, workplace safety, and much more. Prime Bank has a HR Department and they work in the main branch of Motijheel. Prime Bank's human resources policy give emphasis to on providing job satisfaction, growth opportunities, continuous development of human resources, identify the strength and weakness of the employee to assess the individual training needs, they are sent for training for self development. The bank organizes both in-house and external training.

##### **HR Vision:**

Managing an organizational culture where employees enjoy working with pride and are strongly motivated to gain and maintain professional excellence to convert the human resource into human capital.

##### **HR Principles:**

- **Talent Resourcing, Learning and Development Culture:**

Prime Bank Limited has different programs covering on-the job and off-the-job training at home and abroad to develop their employees. Well-balanced job rotation and training are ensured while employees join in any stream of banking.

➤ **Open and Fair Evaluation System for Employees:**

PBL manage an evaluation system that clearly links individual performance to their business goals and priorities. They manage an evaluation system based on the records of periodic counseling and achievements of the employees tracked over the year. For higher objectivity and openness, besides the immediate supervisor, each employee is screened by the next higher level (reviewer).

➤ **Competitive Compensation Package:**

PBL provides compensation and benefits package which matches employees' desires including basic salary, provident fund, gratuity, housing allowance, medical allowance, conveyance allowance, group insurance, employees' welfare fund, leave fair assistance and other admissible facilities those match individual job role and designation as per banking policy.

➤ **Performance Bonus:**

PBL pays high performers with a certain level of profitability. Every year PBL pays for the high performers when company hits a certain level of profitability. It is also based some other additional criteria like the team's success and the individual's performance.

➤ **Knowledge Sharing and Open House Discussion:**

Ideas rule the world and ideas make money; even an idea can change our lives. The lines written here is very true, PBL believe. PBL promote, recognize and execute great ideas and thus they have different sessions of knowledge sharing, suggestion box, open house discussion and employee-management discussion.

**Selection Process:**

**Recruitment and Selection Process for Freshers includes:**

- Inviting Applications
- CV Screening
- Written Test
- Face-to-Face Interview (2/3)
- Selection and Offer Letter
- Medical Examination

- Joining

**Recruitment and Selection Process for Lateral Entrants includes:**

- Inviting Applications
- CV Screening
- Face-to-Face Interview (2/3)
- Selection and Offer Letter
- Medical Examination
- Joining

# Chapter 3

## Internship Activities

### **3.1 Nature of the Job:**

I have been assigned as an intern at Prime Bank Limited, Baridhara Branch for 3 months to fulfill my academic requirement of Bachelors of Business Administration (BBA) degree. I have worked as an Intern at Prime Bank Limited from 15<sup>th</sup> January, 2013 to 17<sup>th</sup> April, 2013. The internship program has provided me tremendous opportunities and scopes to learn and get the insights of practical banking works which will help me in developing my future career. Through the internship program I have learnt regular work as well as corporate work experience that I never could have learnt in the classroom. Moreover, besides the regular office work I have learned to deal with the challenges of the banking industry, got the opportunity to apply knowledge gained from the academic experience, explored many scopes to observe various roles and jobs in the banking sector and all these learning's helped me to gain "real world" experience in banking world. In my internship period I have worked on general banking department & also have an orientation on credit department. Here, different aspects of my experience and learning about Prime Bank Limited.

### **3.2 Overview of Prime Bank Limited Baridhara Branch:**

#### **Location & Contacts:**

**Prime Bank Limited**  
**Baridhara Branch**  
**Concord IK Tower (1st floor),**  
**Plot-02, Block- CEN (A), North Avenue,**  
**Gulshan-2, Dhaka-1212**  
**Telephone: 9850376, 9850392**  
**Fax-880-29850384**



**Prime Bank Limited Baridhara branch has two departments:**

- General Banking Department &
- Credit department

**Total Number of Employees: 10****3.3 Specific Responsibilities of the job:**

In my internship period I was assigned to perform my Internship on all the department of prime bank limited Baridhara branch. Before going to give the description of my working experience I must say that the working environment of PBL is very pleasant and all the employees are very much friendly and helpful. When I first went there I was very much nervous as I had no idea that what to do. But all the people over there helped me a lot to cope up with the environment. Initially there was some communication gap but after a while it becomes alright. They gave me right instructions what to do. And slowly I adjusted with the corporate culture.

**General Banking Department-** I got the opportunity to observe various principles and procedures followed in banks for financial operation and control. I was able to grasp an elementary knowledge on quite a few aspects of its operation. When I joined in Prime bank, at first I was assigned to work on general banking department. In this department I have done different types of work through which I have learned lots of things. In general banking department, I worked under Farzana Saima Siddique (Officer in GB). General banking basically deal with Account opening, Account closing, Account Transfer, Opening of various deposit Schemes, Payment Order Issue, Cheque book delivery, Debit card delivery, Register entry etc. I have got an overall idea about general banking of the bank as I worked with front desk employees. There are some key responsibilities in general banking like works of account opening and account closing, supervision of inward and outward registers, preparing all kinds of statements, issuing DD, TT, PO, cheque book, client statement, maintenance of all account opening form & taking approval from manager, outward & inward clearing with all related works and Daily voucher counting, stitching and recording in register properly. I also worked for data entry on excel sheet. I have also worked for cheque clearing. It is a simple job that includes

putting 3 seals on the cheques and signing afterwards. First I had to mark those cheques with the “Prime bank Limited” name known as “Crossing.” Then I put the date and afterwards the authorized signature seal where the authorized employee had to sign. Up to this, the process is known as cheque making. Then the authorized person had to scan those in to the computer, enter the account number and amount and then send those data to Bangladesh Bank via internet. After one day the cheque is there in the clearing house. The next day it’s transferred to the desired account. However if it is the cheque of PBL itself then the cheque is processed immediately.

**Credit Department:** Last week of my internship program I was sent to the credit department. In this department as an intern I had nothing to do. I was just introduced with different types of loans given by PBL. In this department Mr. Obidur Rahman & Audi Bappa Ratna helped me to introduce with different types of loans provided by PBL. They also told me briefly about the credit giving stages, procedures and documentation regarding Business or Corporate Credit and Personal or Retail Credit.

### **3.4 Different Aspects of Job Performance:**

Job performance is whether a person performs their job well. Job performance depends on many factors like job responsibility, working condition, knowledge and expertise on the work activities; job satisfaction etc. The specific responsibilities of my job were not so tough to do, but too much work loads affect the job performance a lot. The working environment at this branch of PBL was very friendly, which helped me to consider myself as a part of my jobs with greater satisfaction. Sometimes the job seems much boring. I could perform well due to the cordial assistance from all of the employees and staffs of this branch. On my three months of internship period on PBL I have taught practically lots of things those I have learned on theoretical courses. Though there I got differences sometimes but there were also some similar things. Really this practical experience helped me a lot to learn more new things. In my future life all these will be a valuable experience for me.

### **3.5 Critical Observations and Recommendations:**

After working three months in Prime Bank Limited Baridhara Branch I have found something really very impressive about Prime Bank. On the other hand from my observation of last three months I would like to recommend them something that can give them another thought.

### **Some Impressive Aspects about Prime Bank Limited**

- The employees of PBL general banking department are usually very gentle in behavior. All the employees of this department always try to be very helpful to the customers.
- Some of the regular and priority customers are given very good treatment so that they feel respected and attached with the organization.
- Employees of the banks are very sincere on their work. They always get done their work clearly. I have seen employees come on weekends to complete those tasks if needed.
- Most of the office peons are also very sincere and they obey and assist their seniors.
- Organizations like Square Pharmaceuticals, Standard group are regular customers of PBL Baridhara Branch. From their perception this bank is very convenient and friendly to them in terms of service, because this bank is very systematic, honest and fast.
- Employees of PBL are very friendly among themselves. In the office they are like family.
- Newcomers are treated quite well unlike many other organizations.

### **Some aspects that need rethinking of Prime Bank Limited**

- Customers might have a lot of problems, also they might make mistakes. But no matter how wrong they are. As I have already mentioned PBL is very helpful and friendly with customers but sometimes I have seen there were certain misunderstanding between customers and employees of PBL. In most cases mistakes were from customer's end. But quite a few times it has seen that fault was caused by employees also. So for avoiding this situation employees have to be cool and tactful.
- In general banking department huge number of customers come every day. They make impression by seeing the environment of the bank which is not that much smart. Little improvements can change the brand value of this organization.
- Delivery of different facilities like providing cheque book or master debit card is delayed beyond the deadline sometimes which is not expected. Usually master debit card is supposed to be delivered within 3 weeks. If it is not possible to deliver it within this time then it is better to mention customers a more prolonged delivery date.

# Chapter- 4

## Project Part

#### **4.1 Introduction:**

I have used the SERVQUAL service quality model was developed by a group of American authors, 'Parsu' Parasuraman, Valarie Zeithaml and Len Berry, in 1985, which consists of five key service quality dimensions like reliability, responsiveness, assurance, empathy, and tangibles to find out the customer satisfaction on service quality of Prime Bank Limited.

#### **4.2 Origin of the Report:**

The report has been prepared as mandatory requirement of the Bachelor of the Business Administration (BBA) program authorized by BRAC University. As a student of Bachelor of Business Administration (BBA) every student has to conduct a practical orientation in any organization for fulfilling the requirements of the 12 weeks Internship Program. The primary goal of internship is to provide an on the job exposure to the students and an opportunity for translation of theoretical conception in real life situation. Students are placed in enterprises, organization, research institution as well as development projects. Recently I have completed my internship program on Prime Bank Limited. I have prepared this report on the basis of my three months practical working experience in Prime Bank Limited. The report has been completed under the supervision of my academic supervisor Mahmudul Haq, Assistant Professor, BRAC Business School, BRAC University. My organizational Supervisor was Farzana Saima Siddique, Officer, General Banking, Prime Bank Limited.

#### **4.3 Objective of the Report:**

The objective of the report can be viewed in two ways which is specified as follows:

1. General Objective &
2. Specific Objective.

##### **1. General Objective:**

The general objective of this report is to find out the customer satisfaction on service quality of Prime Bank Limited. The main objective is to know whether the incumbent customers of this particular organization are happy with service that they are receiving from the organization. Whether they have any dissatisfaction concealed in their mind that can hinder the overall

performance of the organization and find out effective measures to ease those factor positively to meet up the optimum goal of the organization.

### **Specific Objective:**

**The specific objectives of this report are as follows:**

- To know about operational activities of Prime Bank Limited and to understand the existing circumstance of the bank.
- To organize and analyze the specific and general factors of customer satisfaction.
- To know the level of customer's dissatisfaction.
- To produce different alternatives and bring brainstorming recommendation for customer's dissatisfaction.

## **4.4 Methodology:**

### **1. Research Design:**

The research is based on explanatory in terms of research type. Exploratory research is one type of research design, which has as its primary objective the provision of insights into and comprehension of the problem situation confronting the researcher. Exploratory research is used in case of problem must define more precisely, identify relevant courses of action, or gain additional insights before an approach can be developed. When an issue is encountered that is already known and have a description of it, there might arise need to begin to wonder why things are the way they are. The desire to know the reason to explain is the purpose of exploratory research. This research process is flexible and unstructured. By doing explanatory research it will be helpful to study about customer's satisfaction of Prime Bank Limited.

### **2. Data Collection Method:**

**The primary sources of data include the followings:**

- Questionnaire development
- Survey
- Observation
- Direct conversation with the clients
- Face to face conversation

**The secondary sources of data include the followings:**

- Annual report of PBL
- Different publications of PBL
- Internal records of the bank
- Internet

**3. Sampling technique:**

- **Elements:** Customers of PBL, Baridhara Branch is my elements of research.
- **Sampling size:** Sample size of this study for questionnaire is 50 customers of PBL, Baridhara branch.
- **Sampling method:** In this research random sampling technique was used to collect data.

**4.5 Scope of the Study:**

This internship program gives me a great scope or opportunity for gather experience and knowledge in several areas of banking by which I can evaluate or expose myself. The scope of this report is mostly limited to Prime Bank Limited, as the report is based on practical observations. For the purpose of my internship program I was assigned at Prime Bank Limited, Baridhara Branch. I have worked as a service intern and try to resolve customer's problem. Also I worked in different department of the bank like General banking and Credit division. But it was not possible to learn all job activities within these three months.

**4.6 Limitations of the Study:**

There are some specific problems and limitations those were faced during the entire process of preparing the report. Some of them are-

- Because of time and cost constraints, it was not possible to interview all customers who are very high-profiled personnel and more frequent users of accounts.
- This study is confined to only Prime Bank Limited, Baridhara Branch. So it's very challenging to catch the real picture and vast information about the overall performance of Prime Bank Limited.

- During the interview, there was some amount of non co-operation from a section of the respondents, which were unavoidable. Hesitation and refusal of the respondents caused one of the major limitations.
- Lack of time and resource constraint has also limited the scope to conduct the survey smoothly and so as to prepare the report.

#### **4.7 Literature Review:**

##### **Customer Service:**

“Customer service” is an extremely important part of maintaining ongoing client relationships that are key to continuing revenue. For this reason, many companies have worked hard to increase their customer satisfaction levels. The term “customer service” is used today in the field of service management to describe a host of different but critically interrelated activities. Lewis (1989) stated that in the financial services industry, the marketing key is now “customer service”. In brief, good customer service is the key to a successful organization and customer retention. Furthermore, good customer service fosters growth because each satisfied customer will tell at least five other people about the business, some of whom will become customers (Seller, 1989).

##### **Service Quality Dimensions:**

Service quality is an achievement in customer service. The SERVQUAL Model is an empiric model by Zeithaml, Parasuraman and Berry to compare service quality performance with customer service quality needs. One of the important issues related to service quality is the dimensions of service quality and the measurement tool, SERVQUAL developed by Parasuraman et al. (1988) has been the starting point of the controversy in this area. Parasuraman et al. identify five quality dimensions which link specific service characteristics to consumer expectations of quality. These five basic dimensions are Tangible, Reliability, Responsiveness, Assurance and Empathy.

Customer’s satisfaction basically depends on various factors. Customers will be satisfied with the bank when they will get excellent and quality services from employees of bank on a continuous basis. There are different factors that influence customer’s satisfaction level. In this research, I have tried to find out customer’s satisfaction on five important dimensions of SERVQUAL model.



### **1. Tangibles:**

Tangibles are the appearance or visibility. Tangibles are the physical facilities, equipment, and appearance of personnel in services. It includes all the physical evidence of the service like the facilities, appearance of personnel, tools or equipment used to provide the service, physical representations of the services and even other customers. Zeithaml et al. stated that tangibles are the appearance of physical facilities, equipment, personnel, and communication materials. Tangibles of service are the tangible facets of the service facility. So, the hypothesis is higher the tangibles higher the customer satisfaction.

### **2. Reliability:**

This means ability to perform the promised service dependably and accurately. Reliability involves consistency of performance and dependability. It means that the firm performs the service right first time. It also means that the firm honors its promises. Specifically it involves accuracy in billing, keeping records correctly, and performing the service at the designated time. Reliability refers to the extent to which the retail service provides what was promised when it was promised. Zeithaml et al. (1990) defined reliability as the ability to perform the promised service dependably and accurately. Reliability is the ability to perform the promised service consistently, dependably, and accurately. In an organization, employees should always try to serve customer first and at the right time, so that customers can rely on that bank. This follows that, if reliability is greater, customers are more satisfied.

### **3. Responsiveness:**

Responsiveness is defined as the willingness to help customers and provide prompt Service. It concerns the willingness or readiness of employees to provide services. Responsiveness involves timeliness of service like posting a transaction slip immediately, returning a phone call quickly, giving prompt service and setting up appointments quickly. According to Zeithaml et al. responsiveness refers to the motivation to help customers and provide prompt service to them. If an organization is better in responsiveness dimension then the customer satisfaction level will be high.

#### **4. Assurance:**

Assurance can be defined as the knowledge and courtesy of employees and their ability to convey trust and confidence among customers. Assurance involves trustworthiness, believability, and honesty. It involves having the customer's best interests at heart. Contributing to credibility includes company name; company reputation; personal characteristics of the contact personnel; how much a hard sell is employed in interactions with the customer. Zeithaml et al. defined assurance as the awareness and good manners of the employees and their ability to convey trust and confidence to the customers.

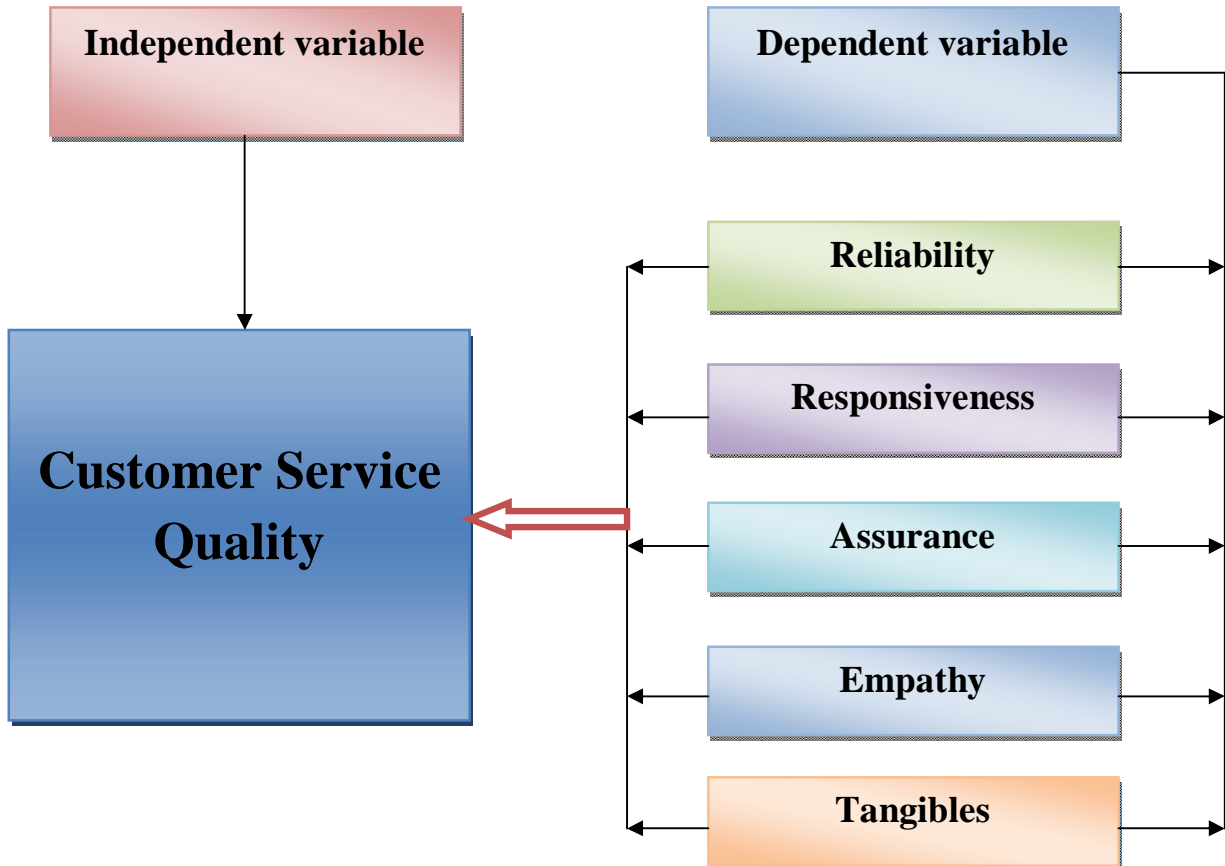
#### **5. Empathy:**

Empathy is the caring, individual attention that a firm provides to its customers. Empathy refers to graciousness, respect, consideration and friendliness of contact personnel including receptionists, telephone operators, etc. It needs consideration for the consumers' property, clean and neat appearance of the contact workers. Hypothesis is when empathy is greater, customers are satisfied.

**Conceptual Framework:**

**Dependent & Independent Variables:**

In the conceptual framework the dependant variables are reliability, responsiveness, assurance, empathy, and tangibles and the independent variable is customer service quality.



#### 4.8 Questionnaire Analysis on Service Quality:

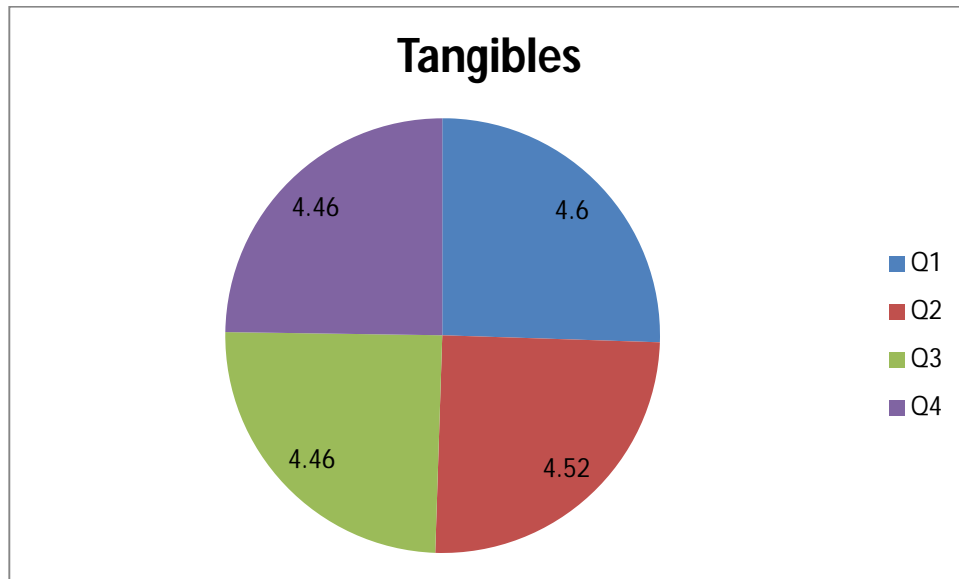
Here I have tried to figure out the customer's perception about five dimensions of service quality- Tangibles, Reliability, Responsiveness, Assurance and Empathy by using the questionnaire survey. By analyzing the average score of the results, I have intended to find that Prime Bank's customer service quality is appreciable to the customers or not. Here, the average scores of Prime Bank Limited are on the basis of questionnaire rating from 1-5. Questionnaire rating:

- Strongly agree=5
- Agree=4
- Average=3
- Disagree=2
- Strongly disagree= 1.

#### **Tangibles:**

There are four questions under Tangibles, on the basis of which I have conducted the survey. Customers have given a rating point in every single question and I am trying to represent a picture from those answers, which were collected from the survey. The table is showing average scores from questionnaire in the Tangibles dimension:

<b>Perception Statements in the Tangibles Dimension</b>	<b>Average Rating</b>
Q1. Prime Bank has modern looking equipment.	4.6
Q2. Prime Bank's physical facilities are visually appealing.	4.52
Q3. Prime Bank's reception desk employees are neat appearing.	4.46
Q4. Materials associated with the service (such as pamphlets or statements) are visually appealing at Prime Bank.	4.46



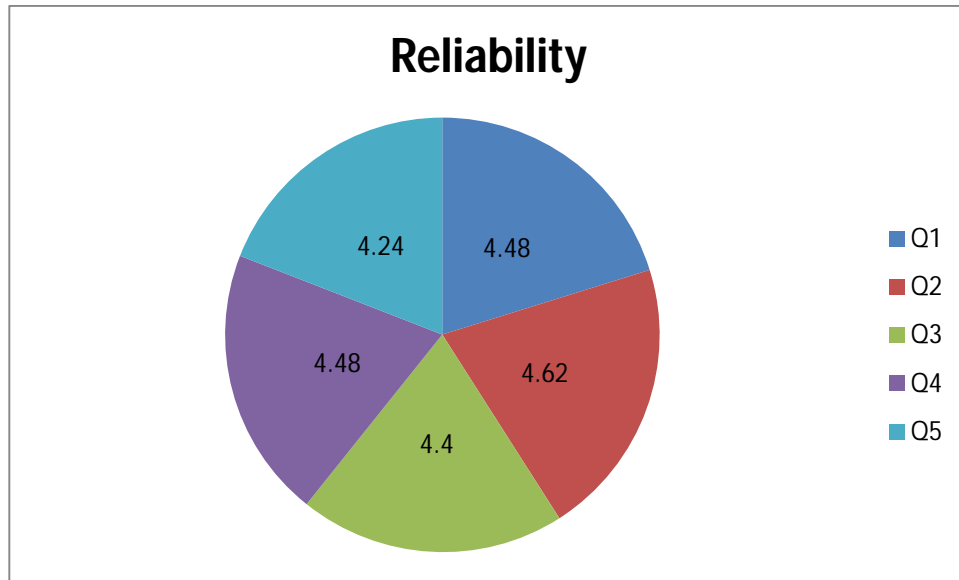
**Figure: Customer's perception of Tangibles**

Most of the sample customers have given a good rating of Tangibles that means they like the equipments that are used by PBL in order to provide a quality service to their customers. So, the statement stands at a point that on the basis of tangibles, customers of Prime Bank Limited are very satisfied.

**Reliability:**

There are five questions under Reliability dimension. The table is showing average scores from questionnaire in Reliability dimension:

<b>Perception Statements in the Reliability Dimension</b>	<b>Average Rating</b>
Q1. When Prime bank promises to do something by a certain time, it does so.	4.48
Q2. When you have a problem, Prime Bank shows a sincere interest in solving it.	4.62
Q3. Prime Bank Performs the service right the first time.	4.4
Q4. Prime Bank provides its service at the time it promises to do so.	4.48
Q5. Prime Bank insists on error free records.	4.24



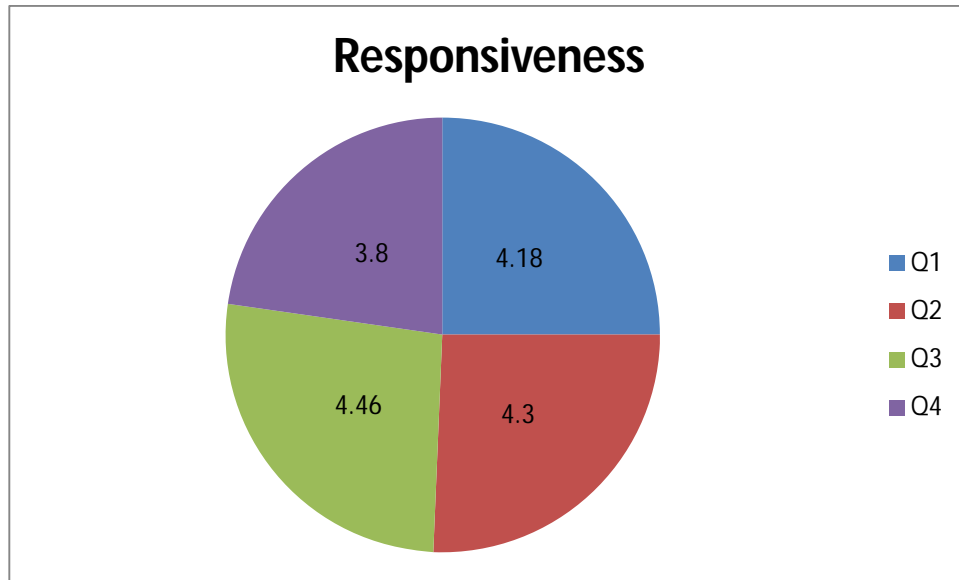
**Figure: Customer’s perception of Reliability**

Again in the Reliability dimension Prime Bank Limited has got a good rating. In this dimension, PBL has got a higher rating in the perception that Prime Bank has a sincere interest in solving the customer’s problem. Here, customers perception is higher that implies that PBL is providing reliable services and customers has a great satisfaction.

**Responsiveness:**

Now the Responsive dimension, under which there are four questions. The table is showing average scores from questionnaire in Responsiveness dimension:

<b>Perception Statements in the Responsiveness Dimension</b>	<b>Average Rating</b>
Q1. Employees in Prime Bank tell you exactly when services will be performed.	4.18
Q2. Employees in Prime Bank give you promote service.	4.3
Q3. Employees in Prime Bank are always willing to help you.	4.46
Q4. Employees in Prime Bank are never too busy to respond to your request.	3.8



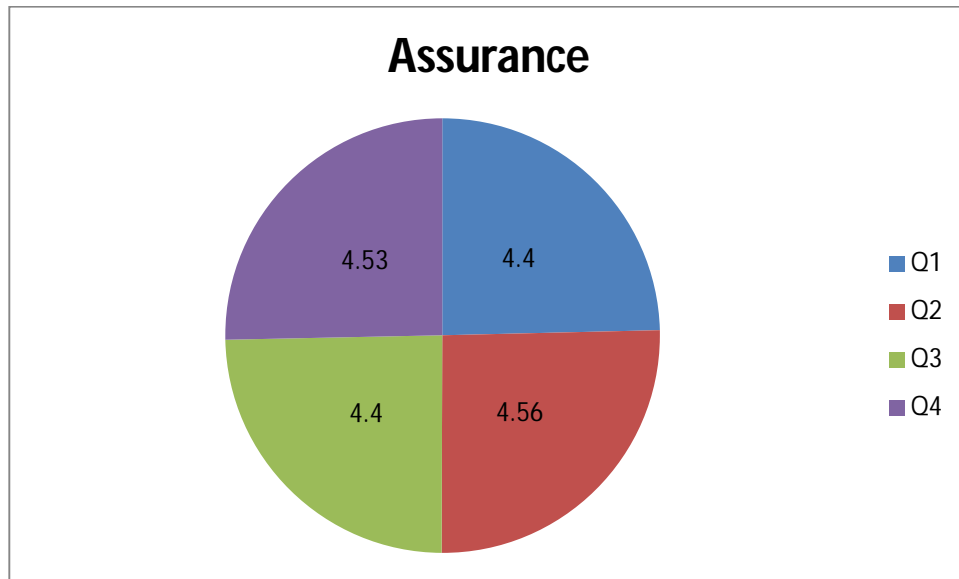
**Figure: Customer's perception of Responsiveness**

Here, I have observed that customer feel Prime Bank Limited is responsiveness and most of the customers are satisfied. Employees of Prime Bank Limited are always passionate and keen to provide first service to their valuable customers. In Responsiveness dimension average rating rate is good but it should be better at certain level.

**Assurance:**

The table is showing average scores from questionnaire in the Assurance dimension:

<b>Perception Statements in the Assurance Dimension</b>	<b>Average Rating</b>
Q1. The behavior of employees in Prime Bank instills confidence in you.	4.4
Q2. You feel safe in your transaction with Prime Bank.	4.56
Q3. Employees in Prime Bank area consistently courteous with you.	4.4
Q4. Employees in Prime Bank have the knowledge to answer your question.	4.3



**Figure: Customer’s perception of Assurance**

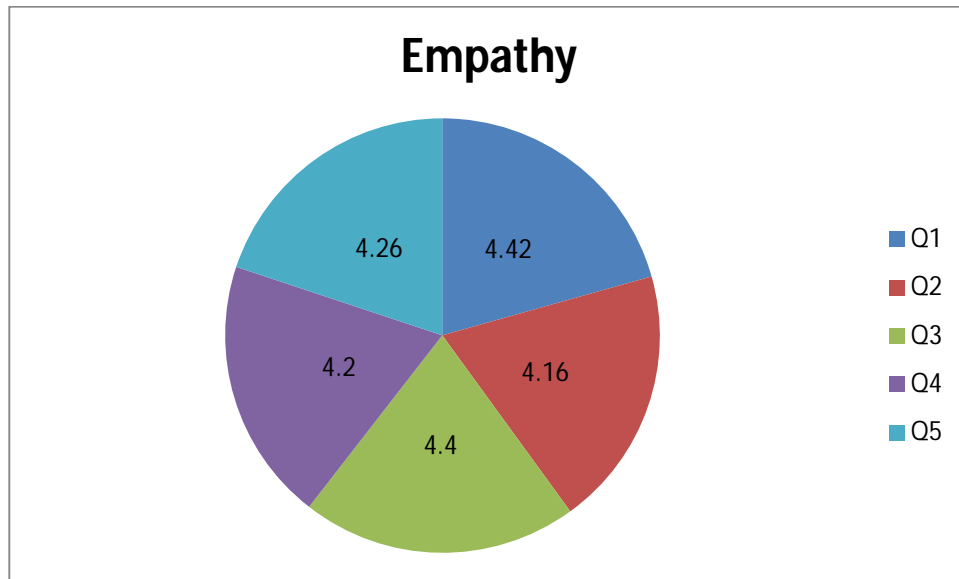
In the assurance dimension PBL also has a good rating according to my survey. Customers believe that employees of PBL have the ability to convey trust among customers. Customers feel safe in transaction with Prime Bank. It implies that employees are capable to maintain long term relation with their customers.

**Empathy:**

There are five questions under this dimension. The table is showing average scores from questionnaire in the Empathy dimension:

Perception Statements in the Empathy Dimension	Average Rating
Q1. Prime Bank gives you individual attention.	4.42
Q2. Prime Bank has operation hours convenient to all its customers.	4.16
Q3. Prime Bank has employee who give you personal attention.	4.4
Q4. Prime Bank has your best interest at heart.	4.2
Q5. The employees of Prime Bank understand your specific needs.	4.26





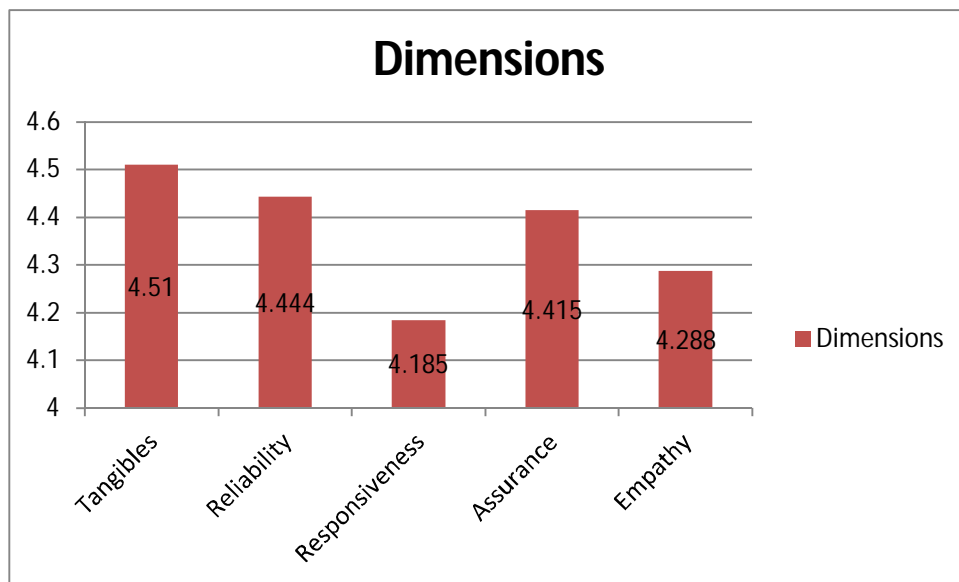
**Figure: Customer's perception of Empathy**

Here also customers are satisfied because Prime Bank is very caring to its customers and they always try to provide best services to customers. In the survey, customers agree that employees of Prime Bank understand customer's demand and able provide service so that every single customer feels himself important and valuable for the bank.

**Overall Comparison of Five Dimensions:**

From the survey, it is understood that satisfaction level of the customers of Prime Bank Limited is high. If we consider the factors of customers' satisfaction, then it is seen that all hypothesis has been proved as true. Overall perception of the customers about prime bank is very good according to the survey. Here, I have tried to find out the overall comparison about customers perception of the service quality dimensions. There are some questions under every dimension on the basis of which I have calculate the average for each individual dimension. Results show that Prime Bank is ranked first in Tangibles. Following the table represent the average of the service quality dimensions:

Service Quality Dimensions	Average Score
Tangibles	4.51
Reliability	4.444
Responsiveness	4.185
Assurance	4.415
Empathy	4.288



**Figure: Overall Comparison of Service Quality Dimensions**

#### 4.9 Findings of Questionnaire:

The survey implies that employees, services and materials associated with the branch of Prime Bank Limited are capable to meet up customer's expectation. Most of the customers of the bank are satisfied with the tangibles or different equipments provided by Prime Bank. Thus by increasing different modern technologies and procedures tangibles can be improved and so customer service quality can be increased. In terms of reliability customer service quality of

Prime Bank Limited is also good according to the customer's perception. Customer service quality increases when bankers are more courteous and reliable. The Bank provides prompt and efficient services so the service quality is good. By providing efficient services the responsiveness improves thus customer service quality increases by improving responsiveness of employees. In terms of assurance and empathy, customers of Prime Bank Limited are satisfied as employees give value to the every single customer. Though overall performance is good of the bank but it is important to improve certain quality of the service to compete in the market. Customers ask for more quality service especially understanding and good behavior from bankers as they think a private bank should provide such quality sufficiently.

#### **4.10 Recommendations:**

Followings are the some suggestions for improving service quality:

- Often customers complain that all customers are not treated equally. They have to wait a long time to have a service. According to them valued and loyal customers always get extra facility and customized services from officers where normal customer do not. Limited number of manpower is one of the reasons of lower customer service. If PBL recruits more employees and each and every employee are dedicated to their work than the quality of the service will of course increase. All the customers should treat in same manner.
- Bank will have to make people aware about the different product of PBL that the bank is offering and will have to explain the benefit of becoming customer of PBL through different advertisements or marketing program. For that they can use print media, electronic media or they can distribute leaflets to customers, also they can set up stall in different trade fair.
- Customers ask for more quality service especially quick, accurate service and good behavior from bankers as they think a private bank should provide such quality sufficiently. It has been found that inappropriate and slow work process often compels the customers to compare the bank with government bank, which is bad for the reputation of the bank. Thus they should take necessary steps to solve this problem.

- Though prime bank has introduced Temenos T24 for faster activities but still some works are performing manually which may hamper the flow of the work. Different documents are kept in file which is difficult to find out. All the files and other necessary things come from head office so it's waste a lots of time and the regular flow of work. Usages of latest technology should be increased and employee should be skilled in operating that technology.
- PBL performs most of its activities systematically in their own server name "Temonus" T24 rather than manually which has linked all branches with the head office. Due to this software task become more, smooth and stress-free but the fact is that some of the time it does not work properly or work very slow that's why the officers could not deliver the projected service to their valued customers. This may harm the reputation of the bank. Authority should take a necessary step to remove this problem.
- Corporate culture of Prime Bank Baridhara branch should be improved. Corporate culture is very important for an organization. It will help employees to behave properly with customers as well as with other coworker. Thus disagreement between employees and customers over trivial matter will not occur. If corporate culture is established in a branch then employees will be self motivated and creation will increase. Even it will help to work within group.
- The features of the products offered by prime bank Limited Baridhara branch is not enough. The demand of the customer is high in comparison. Sometime customer claims that benefit that bank is providing with the product is not that much attractive or useful for the customers. The feature of those products should be great.
- Very soon Prime Bank Baridhara branch should open an ATM booth near to the bank also huge personal marketing is needed to let people know about the facilities of card.
- Online facility of the Prime Bank limited should be improved. In order to compete in the competitive market they should adopt real time online banking system in every branch.

Hopefully, these recommendations will help PBL to improve their existing service quality. Effectively managed, customer feedback helps to create numerous opportunities for the development of interpersonal relationships between the customer and a firm's employees. This close alignment with the customer will be of vital importance to the bank. It will provide regular

and reliable customer feedback and thereby the opportunity to make the necessary proactive changes to improve services of Prime Bank Limited. This will enable the bank not only to act quickly to satisfy the customer but also to prevent similar problems in the future.

# Chapter-5

# Conclusion

Prime Bank limited is one of the modern and leading commercial bank in Bangladesh. They are committed to provide high quality financial services and products to the customers and play an important role in the process of economic growth of the country. The Bank is operating efficiently with its existing products and services. The emergence of fierce competition and adverse economic condition has forced the bank to be innovative in offering its products and customer services. Service quality is a critical component of customer perceptions. In the case of pure services, service quality will be the dominant element in customers' evaluations. Profit of the bank will come, if there are large and big corporate customers. These customers will remain with the bank if service quality is superior. So PBL will have to ensure quality service in every single branch. For quality service PBL will have to solve problems of their customers. Every single and silly mistake can spoil their business. To provide quality service PBL will have to leave traditional method of banking. In this competitive world this sector has expanded its wings widely enough to cover any kind of financial services anywhere in the world. So PBL should take effective measures to satisfy customers.

According to the survey, the services which the Bank provides to their clients are very prompt and quality one compare to other banks. So Prime Bank is the bank, which will survive in the banking sector of the world on the slogan "***A Bank with a difference***".

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- [https://www.primebank.com.bd/financial\\_report/Annual\\_Report\\_2013.pdf](https://www.primebank.com.bd/financial_report/Annual_Report_2013.pdf)
- Several Booklets & Newspapers from Prime Bank Limited.
- Different types of products of Prime Bank Limited i.e. Leaflets, Brochures etc.



## Appendix

### Questionnaire for Measuring Customer Satisfaction Level

<b>Name:</b>					
<b>Gender:</b>	Male	Female			
<b>Age:</b>	Less than 20	20-30	30-40	40-50	50 & above
<b>Education Level:</b>	Primary Education	Secondary Education	Higher Secondary Education	University	Postgraduate

Sl <sup>n</sup> :		Strongly Agree				Strongly Disagree
	<b>Tangibles</b>					
01	Prime bank has modern looking equipment.	5	4	3	2	1
02	Prime Bank's physical facilities are visually appealing.	5	4	3	2	1
03	Prime Bank's reception desk employees are neat appearing.	5	4	3	2	1
04	Materials associated with the service (such as pamphlets or statements) are visually appealing at Prime bank.	5	4	3	2	1
	<b>Reliability</b>					
01	When Prime bank promises to do something by a certain time, it does so.	5	4	3	2	1
02	When you have a problem, Prime bank shows a sincere interest in solving it.	5	4	3	2	1
03	Prime bank performs the service right the first time.	5	4	3	2	1
04	Prime bank provides its service at the time it promises to do so.	5	4	3	2	1
05	Prime bank insists on error free records.	5	4	3	2	1
	<b>Responsiveness</b>					
01	Employees in Prime bank tell you exactly when Services will be performed.	5	4	3	2	1
02	Employees in Prime bank give you prompt service.	5	4	3	2	1
03	Employees In Prime bank are always willing to help you.	5	4	3	2	1
04	Employees in Prime bank are never too busy to respond to your request.	5	4	3	2	1
	<b>Assurance</b>					
01	The behavior of employees in Prime bank instills confidence in you.	5	4	3	2	1
02	You feel safe in your transaction with Prime bank.	5	4	3	2	1
03	Employees in Prime bank area consistently courteous with you.	5	4	3	2	1
04	Employees in Prime bank have the knowledge to Answer your questions.	5	4	3	2	1
	<b>Empathy</b>					
01	Prime bank gives you individual attention.	5	4	3	2	1
02	Prime bank has operation hours convenient to all its customers.	5	4	3	2	1
03	Prime bank has employees who give you personal attention.	5	4	3	2	1
04	Prime bank has your best interest at heart.	5	4	3	2	1
05	The employees of Prime bank understand your specific needs	5	4	3	2	1