



**INTERNSHIP AFFILIATION REPORT
ON
RESEARCH AND DEVELOPMENT (R&D) DIVISION OF
“BRAC BANK LIMITED”**

**An Internship Report Presented to the Faculty of Business
Administration in Partial Fulfillment of the Requirements for the
Degree of Bachelor of Business Administration**

Supervised By

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Submitted By

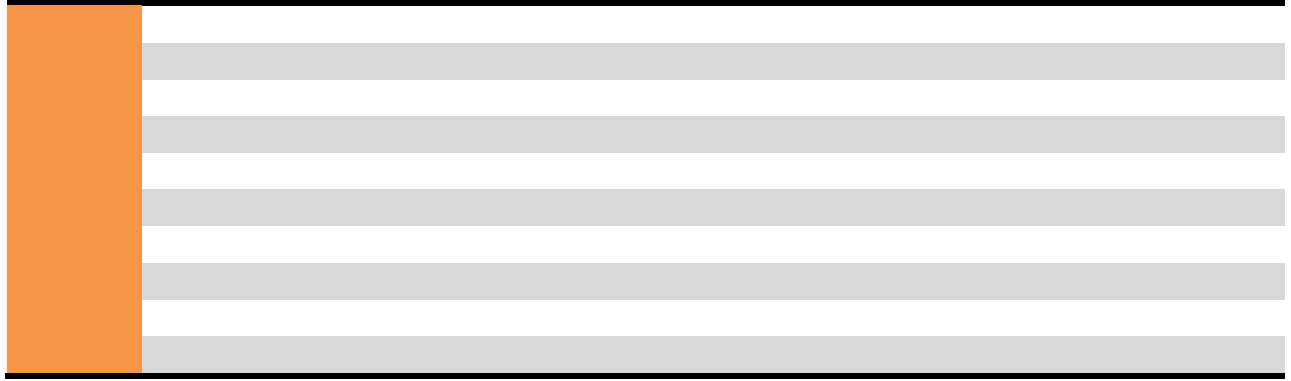
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Date of Submission: March 4, 2013

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Letter of Transmittal

4th March, 2013

Ms. Mahtab Faruqui
Senior Lecturer
BBS Dept.
BRAC University

Subject: Submission of Internship report on Research and Development (R&D) Division of BRAC Bank LTD.

Dear Madam,

With due respect and humble submission I would like to inform you that I am a student of your university. It is indeed a great pleasure to have the opportunity to work on the internship report. I have got the opportunity to work on the internship report according to your instruction. The topic name is “Overall Activity of Research and Development (R&D) Division of BRAC Bank LTD”.

I will try my best to present all the things to make the report more informative and supportive.

Therefore, I will be very grateful to you if you give me the permission to work on my internship report on this topic.

Sincerely Yours,

Rezoana Tasmin Rakhi
ID: 08104076
BBS Dept.

Acknowledgement

At the very beginning, I acknowledged the infinite blessing and profound kindness of “**Almighty Allah**” who enabled me to complete this report.

I convey my deepest thanks to my institutional supervisor **Ms. Mahtab Faruqui**, Faculty of BRAC Business School of BRAC University for her continuous guidance and supervision in writing this report.

I would like to name here **Ashique Iqbal** (Manager-Product development & Research And Development Division), **Tanvir Omar Chowdhury** (Manager-Consumer Insights & Research And Development Division), **Md. Masud Rana** (Associate Manager- Decision Support System), **Md. Manirul Islam** (Officer- Product development), **S.M.Maniruzzaman** (Associate Manager-Consumer Insights), **Nurul Hai** (Associate Manager-Strategy and Economy) thanks to all of them for providing valuable suggestions and information in preparing this report. It was my privilege and I am truly honored working with such a wonderful team.

I am also very grateful to my colleagues and all other employees of Research and Development Division of BRAC Bank Ltd. for helping me to complete this report and cooperated to collect various necessary information from various sources.

This internship report might never have been completed without the necessary practical knowledge. I like to convey my best regards to all the generous people for their valuable time & opinion.

Executive Summary

The principal reason of banks chartered by the government and the central bank is to make loans to their customers. Banks are expected to support their communities with an adequate supply of credit for all legitimate business and consumer financial needs and to price that credit reasonably in line with competitively determined interest rates. Indeed, making loans is the principal economic function of banks to fund consumption and investment spending by businesses, individuals, and units of government. How well a bank performs its function has a great deal to do with the economic health of its region, because banking performance support the growth of new businesses and jobs within the banks trade territory and promote economic vitality. Moreover, bank loans often seem to convey positive information to the marketplace about a borrower's credit quality, enabling a borrower to obtain more and perhaps somewhat cheaper funds from other sources. Therefore, evaluating BRAC Bank Limited's financial performance by comparing it with that of the best performing commercial banks of Bangladesh.

This is the internship report based on the three month long internship program that I had successfully completed in BRAC Bank Limited under Research & Development Division from 11.11.2012 to 01.02.2013 as a part of my internship program of Bachelors of Business Administration course requirement. As being completely new to practical, corporate world setting, every hour spent in the R&D division gave me some amount of experience all the time all of which cannot be explained in words. But nevertheless, they were all useful for my career.

As the competition is increasing, the commercial Banks are constantly looking for scope to develop credit operation and performance appraisal to the market. However tight control on the part of the Central Bank, Bangladesh Bank restricts the scope for maneuvering in the market with new performance and credit operation. There for e-bank require finding out untapped market space for growth. Moreover, in these liquidity crunch times, it is crucial for banks to be able to perform efficiently and effectively. If the bank is not being able to perform than the bank might go bankrupt which would have a significant impact on the economy.

I have worked in Research & Development Division of BRAC Bank Limited with almost all the wings of them, like, product development process, product review process with the help of field

and consumer survey, new product research and model development with mystery etc. BRAC Bank has a rich R&D Department. It maintains the organizational responsibilities successfully. The R&D team of BRAC Bank is completely organized and well reputed team.

I have worked with different types of product development and review process of BRAC Bank Limited. Within almost two months of my internship there are around 10 product and services are developed or developed on BRAC Bank's R&D division. I have also assisted as the "Project Manager" on 7 of them product development process.

1.1 Introduction:

BRAC Bank Limited is a full service scheduled commercial bank. It has both local and International Institutional shareholder. The bank is primarily driven with a view of creating opportunities and pursuing market niches not traditionally meet by conventional banks. BRAC Bank has been motivated to provide “best-in-the-class” services to its diverse assortment of customers spread across the country under an on-line banking dais. At present, BRAC Bank is one of the fastest growing banks in the country. In order to support the planned growth of its distribution, network and its various business segments, BRAC Bank is currently looking for impressive goal oriented, enthusiastic, individuals for various business operations.

The bank wants to build a profitable and socially responsible financial institution. It carefully listen to the market and business potentials, It is also assisting BRAC and stakeholders to build a progressive, healthy, democratic and poverty free Bangladesh. It helps make communities and economy of the country stronger and to help people achieve their financial goals. The bank maintains a high level of standards in everything for our customers, our shareholders, our acquaintances and our communities upon, which the future affluence of our company rests.

According to the Half-Yearly Financial Statement of 2010- the number of Employees including contractual engaged for the whole year or part there of (who received a total yearly remuneration of Tk. 36,000 or above) were 6,306 where as the total number of employees were 7,075 as the same period of pervious year.

1.2 Scope of the Report:

Research and development is essential and foundational to the growth and development of any organization and hence the ability to satisfy and retain quality is vital. It must be therefore very crucial to identify if there is an underlying dissatisfaction amongst the existing employees of the organization. Therefore, the bank is the largest beneficiary because through this report we can identify how to confront the challenges.

This report will give a clear idea about ‘Research and development division in the BRAC Bank Ltd.’ How efficiently they utilize their resources? What types to benefits they offer to their

organization? Does they supporting their organization by providing developed thought by their research ability? How they playing a major role on the management and decision making of BRAC BANK LIMITED? To have answers of all these questions, it is tried to go through the BRAC BANK LIMITED R&D policies with three months working experience in R&D division. This report deals with the organizational structure of R&D division, their develop and research process of products and services, Importance of R&D division for banking organization for their long term improvement and other different aspects of BRAC Bank Ltd. So the outcomes of the report are not a concrete illustration of the state of financial statement of BRAC Bank Ltd. The study will provide the scopes of knowing the following:

- A) The total organizational structure of BRAC Bank Limited, including their R&D.
- B) Importance of Research and Development division in BRAC Bank Limited.
- C) Finding out the approach of supporting BRAC BANK LIMITED for their future enhancement.

1.3 Methodology:

In order to attain the objectives, collection of primary data is necessary. This data will be used to analyze the problem statement. The largest part of the analysis however would obviously be conducted by carrying out the employee satisfaction survey. The intention is to obtain a randomly selected unbiased sample of 100 employees across the bank and to question them on various Grounds to assess the employee satisfaction level. Therefore the methodology would include relevant information is collected from interviews, Surveys, observation and annual reports of the bank. The relevant information is collected from the primary sources and also uses the secondary sources of information.

Primary data are collected through:

- Observation for the total internee period
- Open ended and closes ended questions
- Conducted discussions with Officers of Research and Development Division

Secondary data are collected through:

- Manuals and Annual Report of BRAC Bank Limited
- Website browsing.

1.4 Limitations of the Report:

The sources of the report are collected from different desks, various documents of BRAC Bank Limited (BBL). Though the entire staff member remains busy all the time for their desk work they helped a lot to manage and collect the data & information. But it was very difficult to collect information because of its very sensitive and has secret issue for the Bank. Every task has some limitations. So, there are also some limitations of the study. These are as follows-

a) Shortage of time period: This report has been written within a shorter period of time. So the time constraint of the study is hindering the course of vast area and time for preparing a report within the mentioned period is really difficult.

b) Busy working environment: Sometimes the officials were unable to provide information because of their huge routine work. That is why I could not gather vast knowledge about the critical issues.

c) Secrecy of Management: There some information which are confidential for collecting the data. So, some data could not be collected for confidentiality or secrecy of management.

d) Uneven Sample Distribution: The sample distribution may not be even, there may be a majority of people coming from a fixed range of income level.

2.1 BRAC Bank Limited – An Overview of the Organization:

BRAC started as a development organization dedicated to alleviating poverty by empowering the poor to bring about change in their own lives. In Bangladesh It was founded in 1972 and over the course of evolution, it has established itself as a pioneer in recognizing and tackling the many different realities of poverty of which BRAC Bank is one of the largest operational commercial venture with a vision.

BRAC Bank is one of country's fastest growing bank. With 152 branches, 12 Apon Shomoy, 313+ ATMs, 30 CDMs, 399 SME Unit Offices and 7,695 (as on 15th November 2012) human resources, BRAC Bank's operation now cuts across all segments and services in financial industry. With more than 1 Million Customers, the bank has already proved to be the largest SME financier in just 11 years of its operation in Bangladesh and continues to broaden its horizon into Retail, Corporate, SME, Probashi and other arenas of banking. In the year: 2010, BRAC Bank has been recognized as Asia's most Sustainable Bank in Emerging Markets by the Financial Times and IFC.

Recently BRAC Bank has achieved the **International award for "Excellence in Retail Financial Services"**.

2.2 Vision, Mission and Values:

2.2.1 Corporate Vision: "Building a profitable and socially responsible financial institution focused on Markets and business with growth potential, thereby assisting BRAC and Stakeholders build a just, enlightened, healthy, democratic and poverty free Bangladesh."

2.2.2 Corporate Mission:

- ❖ 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.
- ❖ Keep a diverse, far flung team fully controlled environment with no compromise on service quality.
- ❖ Keep a diverse, far flung team fully motivated and driven towards materializing the bank's vision into reality.

2.2.3 Corporate Values: BBL's Strength emanates from their owner - BRAC. This means, BBL will hold the following values and will be guided by BRAC as they do their work:

- ❖ Value the fact that one is a member of the BRAC family
- ❖ Creating an honest, open and enabling environment
- ❖ Have a strong customer focus and build relationships based on integrity, superior service and mutual benefit
- ❖ Strive for profit & sound growth
- ❖ Work as team to serve the best interest of our owners
- ❖ Relentless in pursuit of business innovation and improvement
- ❖ Value and respect people and make decisions based on merit
- ❖ Base recognition and reward on performance
- ❖ Responsible, trustworthy and law-abiding in all that we do

2.2.4 Goals: BRAC Bank will be the absolute market leader in the number of loans given to small and medium sized enterprises throughout Bangladesh. It will be a world class organization in terms of service quality and establishing relationships that help its customers to develop and grow successfully. It will be the Bank of choice both for its employees and its customers, the model bank in this part of the world.

2.2.5 Logo: The logo of BRAC Bank has been prepared keeping in mind the goal of the organization. The square structure of the logo means solid and strong. The golden color in the lower portion of the logo has means, the 'Golden Bangladesh & her fertile land'. The Blue color in the upper portion means 'the sky with enormous & unlimited opportunity'. The white colored

curve means ‘Growth and Progress’. White circles in the blue color mean the flashing sun that gives light to everywhere.



Figure: Logo of BRAC Bank limited

2.2.6 Company Slogan: BRAC Bank Limited’s company slogan is “Aastha Obichol”. It promises of unshakeable trust, and being the “dependable friend in banking” will hold true for years to come.

2.3 Structure:

2.3.1 Capital Structure:

- ❖ BRAC: BRAC, a national, private organization, started as an almost donor funded, small-scale relief and rehabilitation project initiated by Fazle Hasan Abed to help the country overcome the devastation and trauma of the Liberation War and focused on resettling refugees returning from India. Today BRAC has emerged as an independent, virtually self-financed paradigm in sustainable human development. It is one of the largest southern development organizations employing 97,192 people, with 61% women, and working with the twin objectives of poverty alleviation and empowerment of the poor.
- ❖ International Finance Corporation: The International Finance Corporation (IFC) is the private sector arm and the commercial wing of the World Bank Group. IFC is a 5.36% shareholder in BRAC Bank. A new assistance program signed in August 2005 Aims to double the bank’s number of small and medium enterprise client in 18 months through campaigns to target women entrepreneurs and rural clients, introduce new products and train branch managers.

- ❖ Shore Cap International: ShoreCap typically invest between \$500,000 and \$2 million ownership position of 10-25% of a company. As a minority shareholder, ShoreCap seeks financial institution with a strong, experienced management team and a committed set of local development-minded investors. ShoreCap currently owns 0.86% of BRAC Bank Limited.

- ❖ Others: In spite of that BRAC Bank has Non-Resident Bangladesh's shares (0.43%), Mutual Funds' shares (3.22%) and Institutions and General Public's shares (46.36%).

	% of Shareholding
BRAC	43.77%
International Finance Corporation	5.36%
ShoreCap Limited	0.86%
Non-Resident Bangladeshi	0.43%
Mutual Funds	3.22%
Institutions and General Public	46.36%

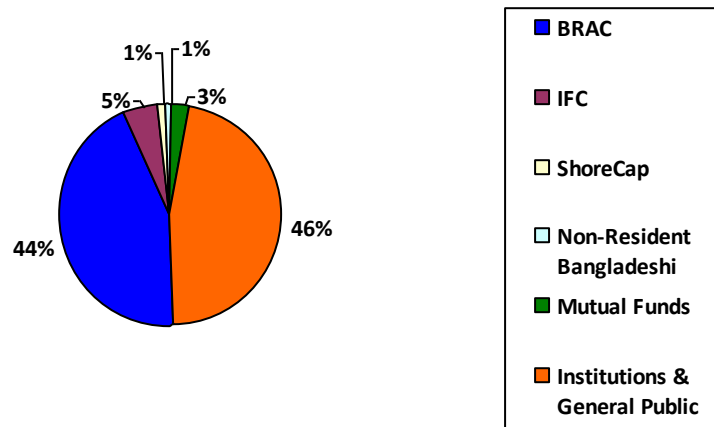
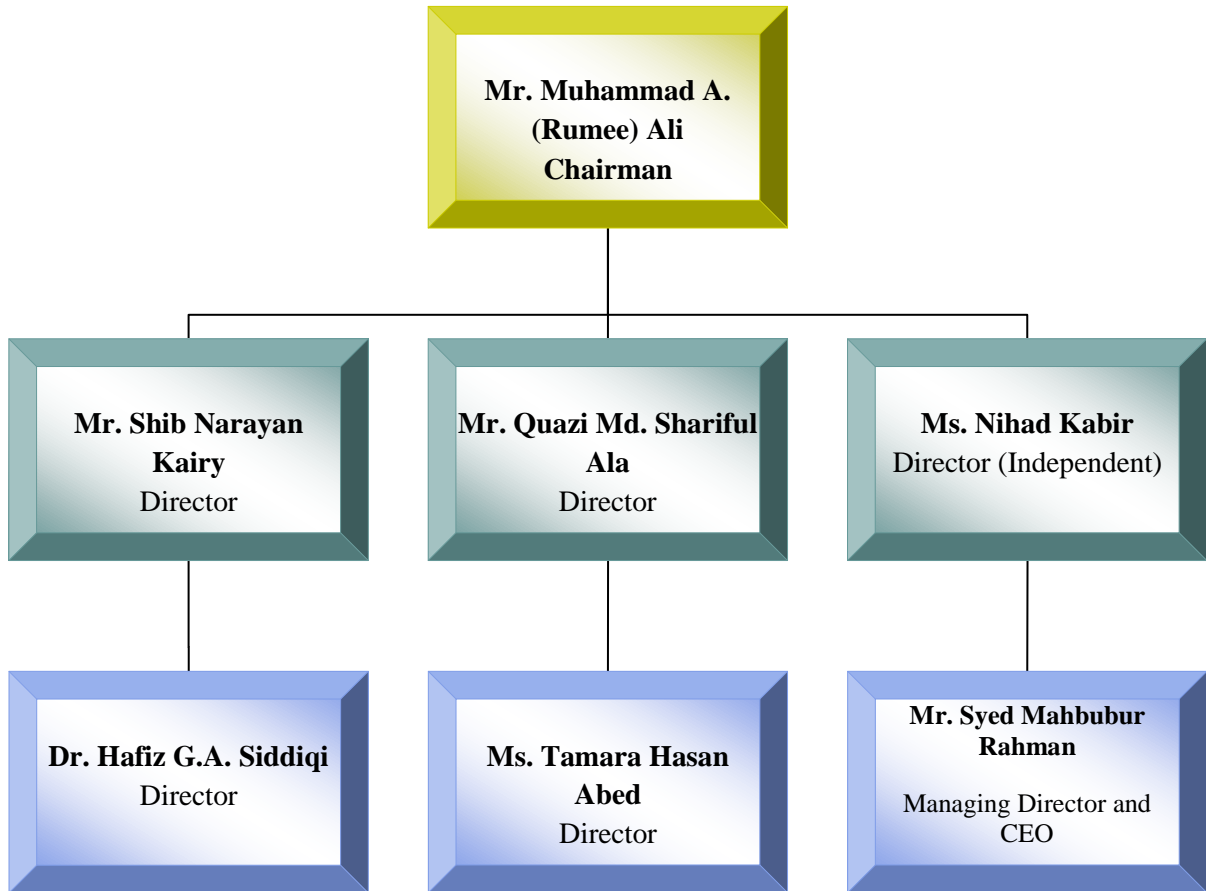


Figure: Shareholder Structure of BRAC Bank Ltd.

2.3.2 Organizational Structure:

Board of Directors:



Management Committee:

**Mr. Syed Mahbubur
Rahman**
Managing Director & CEO

**Mr. Mohammad
Mamdudur Rashid**
Deputy Managing Director

Mr. Rais Uddin Ahmad
Company Secretary &
Head of Legal, Regulatory
& Internal Control

**Mr. Nabil Mustafizur
Rahman**
Chief Credit Officer

**Mr. Syed Faridul
Islam**
Head of SME
Banking

**Ms. Tahniyat
Ahmed Karim**
Head of Human
Resources Division

**Mr. Firoz Ahmed
Khan**
Head of Retail
Banking

**Mr. Mohammed
Rahmat Pasha**
Head of Treasury &
Financial Institutions

Mr. Khwaja Shahriar
Head of Cash
Management
Custodial Services
Probashi Banking

**Mr. Shah Alam
Bhuiyan**
Head of Operations &
Acting Head of
Operational Risk

**Mr. Md. Sarwar
Ahmed**
Head of IAM – SME
& Retail Banking

**Mr. Zeeshan
Kingshuk Huq**
Head of Corporate
Affairs

2.4 Product & Service of BRAC Bank:

BRAC Bank Ltd. is currently focusing on four different areas of business activities.

These are:

- ❖ SME Banking
- ❖ Retail Banking
 - Retail Distribution
 - Non Funded Business and Secured Value Center
 - Alternate Delivery Channel
 - Unsecured Value Center
 - Liability
 - Service Quality/Business Intelligence
 - Collections
 - Cross Selling
 - Regional Distribution
- ❖ Corporate Banking
- ❖ Probashi Banking
- ❖ Cards
- ❖ Treasury & Financial Institution
- ❖ Marketing & Corporate Affairs
- ❖ The business

2.4.1 SME: BRAC Bank is offering 13 SME packages. These are listed and briefly renews to meet their short-term cash flow shortages and bridge the fund-flow geted for relatively bigger business units requiring loan above tk. 8 lacs to 30 lacs. SME Products Currently BRAC explained below:

Anonno Rin - "Anonno Rin" is a business loan designed to finance small scale trading, manufacturing and service ventures, especially to help small and medium enterprise.

Apurbo Rin - Apurbo is a loan facility for Small and Medium business. Apurbo is offering BDT 1 million to BDT 10 million loan against registered mortgages

Pathshala Rin - "Pathshala Rin" is a loan designed to meet the needs of small and medium sized private educational institutions, such as kindergartens, schools and colleges etc.

Aroggo Rin - "Aroggo" is a loan allowed to various Health service Provider like private clinics, diagnostics centers and doctors' chambers. The product offers fixed assets purchase financing under equated Monthly Installments.

Digoon Rin - This is a double loan on clients' deposits. With this, clients do not need to encash their savings rather they can take double amount of loan on their deposit for their business expansion.

Supplier Finance - SUPPLIER FINANCE is a loan facility for the enlisted Suppliers of various large retailers, marketing companies, distributors, exporters etc. This product's main objective is to help various Suppliers to meet their short-term cash flow shortages or bridge the fund-flow gaps. Amount is minimum BDT 3 lac up to maximum BDT 30 lac.

Prothoma Rin - "Prothoma Rin" is a loan facility for small and medium sized business, which is operated by women entrepreneur. The product offers terminating loan facilities for the purpose of working capital finance and/or fixed assets purchase. Loan limit is from minimum BDT 3 lac up to maximum of BDT 9.5 lac.

Cash Secured Loan - "Cash Secured Loan" is a loan facility for small and medium sized business. There are two types of loan facility in the product i.e. Secured Loan and Secured Overdraft. These facilities are fully secured by fixed deposit of BRAC Bank. Amount is minimum BDT 3 lac up to maximum BDT 30 lac.

BIZNESS Loan - Bizness loan is an equated monthly loan facility for all types of business who have healthy bank transactions for the purpose of working capital finance and/or fixed assets purchase. Loan limit is minimum BDT 10 lac to maximum of BDT 50 lac.

Proshar - "Proshar" is a loan facility for small & medium sized manufacturing business. The product offers loan facilities for working capital finance and/or fixed assets purchase.

Trade Plus - Trade plus is a composite facility for small & medium sized import-oriented businesses to meet their trade finance requirements.

Super Supply Loan - Super Supply Loan is a loan facility for Suppliers of various large retailers, marketing companies, manufacturing companies and various corporate houses. This product's main objective is to help various Suppliers to meet their financial requirements.

BIZNESS Account - "Business Account" is an interest bearing current account for sole proprietorship business Entrepreneur. Opening balance required is only BDT-10, 000.00.

2.4.2 Retail Banking: There are retail banking products of three categories. One is Loan Products, second is Deposit Products and the other is Cards.

In Loan Products category there are eleven services/products facilitating clients' demands. These are: Salary Loan, Now Loan, Car Loan, Teacher's Loan, Study Loan, Travel Loan, Credit Card Loan, Top-Up Loan, High-Flyer Loan, Secured Loan/ OD and Doctor's Loan.

Under Deposit Products category currently there are ten services/products in total. These are Fixed Deposit, Interest First, Abiram Account, DPS, EZee Account, Savings Account, Short Term Deposit, Current Account, Salary Account and Step Up Fixed Deposit.

Under Cards category there are two types of cards products active. One is ATM Debit Cards and the other is Co-Branded Cards. ATM Debit Cards facilitates money withdrawal of up to BDT 20,000.00 per day. Also checking balance statements of ATM and POS (Point Of Sale) transactions. The Cards Department provides 24 hour customer support hotline to resolve queries and problems.

2.4.3 Corporate: Corporate banking section has three types of coverage currently. These are:

a) Corporate Loan Products:

- ✓ Overdraft;
- ✓ Short Term Loan;
- ✓ Lease Finance;
- ✓ Loan Against Trust Receipt (LATR) ;
- ✓ Work Order Finance;
- ✓ Emerging Business;
- ✓ Syndication;
- ✓ Term Loan;
- ✓ Project Finance;
- ✓ Bill Purchase;
- ✓ Bank Guarantees etc.

b) Trade Financing:

- ❖ **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.

c) Corporate Cash Management:

- ❖ **NCS** – BRAC Bank will collect clients' bills through their Bills Pay Machines in the strategic locations of the city and also at the

correspondent branches, where the BRAC Bank branches are not available and at the booths.

- ❖ **PTS** – PTS will allow clients to disburse all kinds of payments anywhere in the country through BRAC Bank's own branch network in Dhaka, Chittagong, Sylhet, Savar, Feni and the partner bank branches all over the country.

2.4.4 Probashi Banking:

Our nation's workforce who are away from their families, relatives, friend and above all, from breathing the air of our country, working abroad for the prosperity of their lives and the nation in the long run while sacrificing a lot. BRAC Bank, through Probashi Banking services, is facilitating the banking needs of remitters. Currently BRAC Bank is providing six services for remitters under Probashi Banking. These products/services are described below:

Probashi Current Account – It is ideal for Probashi Bangladeshis who do not wish to earn interest due to religious reasons. This account also comes with cheque book and ATM card and is ideal for regular transaction.

Probashi Savings Account – This account provides interest which is paid in June and December of each year. This account comes with a cheque book and ATM Card and is ideal for Probashi Bangladeshis who want to save. Accounts are maintained in Taka.

Probashi DPS – Is a savings scheme specially designed for the Probashi clients. This service requires monthly installment of minimum Tk. 500.00 and any multiples. Provides a savings account with a personalized cheque book, earnings remitted to savings account will be automatically transferred on the due dates and loans are provided against 90% of deposited amount.

Monthly Installment	Amount after maturity			
	4 years	7 years	11 years	14 years
500	28,667	58,650	116,603	179,550
1000	57,334	117,300	233,207	359,101

Probashi Fixed Deposit – A fixed deposit account allows remitters to deposit their money for a set-period of time, thereby earning them a higher rate of interest in return. Fixed Deposits can be made from 3 months to 3 years. Interest is paid on the maturity at a very attractive rate. Accounts are maintained in Taka. Probashi Abiram – Probashi Abiram is a Fixed Deposit which is ideal for Probashie who want to get a return every month. If one has sufficient funds, this can be made into a fixed deposit from 1 year to 3 years and interest will be paid every month on their Savings Account automatically. This is ideal for customers who want to pay their DPS installments. Accounts are maintained in Taka.

2.5 Financial Performance:

BRAC Bank continued to expand its banking activities. It has strengthened its team to provide more focused and efficient services to its clients and has continued its efforts to improve the infrastructure. Despite the challenges, through their efficient management and continued effort of their dedicated staff, they made an operating profit of BDT 4,970 million. (mention year)

2.5.1 Operating Results:

BRAC Bank's net profit after tax in 2011 was BDT 1,702 million - an increase of 1.9% over last year. Return on Equity (ROE) was 17.90% and Earnings per Share were BDT 5.15. BDT in Million

2.5.2 Profits after Tax:

Interest income of the bank has increased by 25.9% in 2011 and is consistent with the increase of loans and advances growth by 10.1%. Interest expense has increased by 38.9% in 2011, as borrowing costs went up and the deposit mix tilted towards high cost funds. However, deposit portfolio increased by 17.7% over last year. Net interest income in 2011 was BDT 5,446 million, which increased by 7.8% from last year mainly due to higher interest income on loans. Non-funded income grew this year by 28.0%. The bank has successfully increased its non- funded income and reduced its burden ratio over the year.

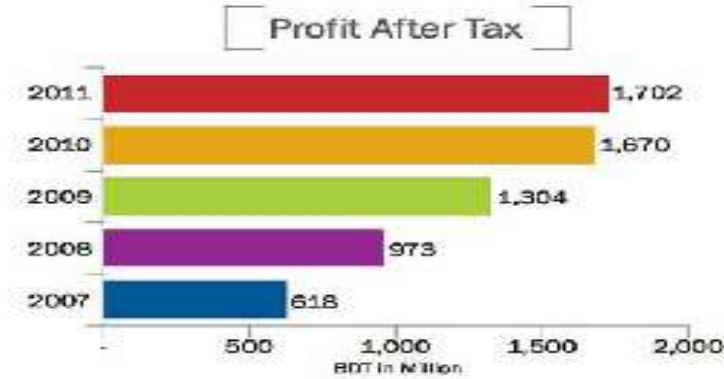


Figure: Profit after Tax

2.5.3 Total Asset:

Total assets of the bank rose to BDT 133,201 million in 2011 from BDT 117,298 million in 2010 registering a growth of 13.6%. Significant increase in assets documented in loans & advances, investments, fixed assets and cash assets maintained by the bank.

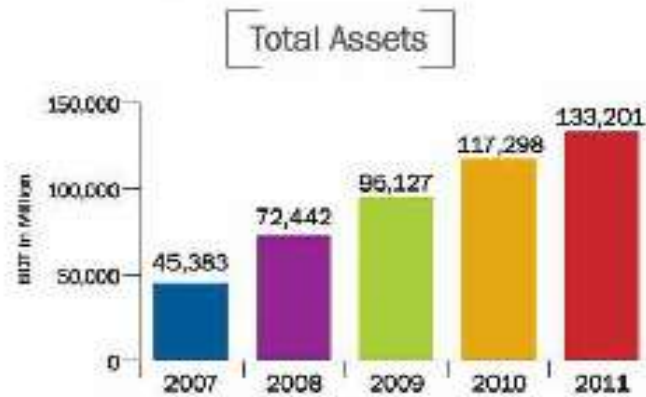


Figure: Total Asset

2.5.4 Loans and advancement:

Loans & Advances increased by BDT 8,361 million or 10.1% in the year 2011. This is a result of continued growth in lending business and solid growth in banking industry reflecting the focus on customers and profitable growth.

2.5.5 Sector Wise Loan Portfolio:

SME sector, the main concentration area for the bank financing since its inception, comprises of over 50% of the total loans and advances. Major portfolio of BRAC Bank belongs to commercial sector. Sector wise credit portfolio is shown in the figure below:

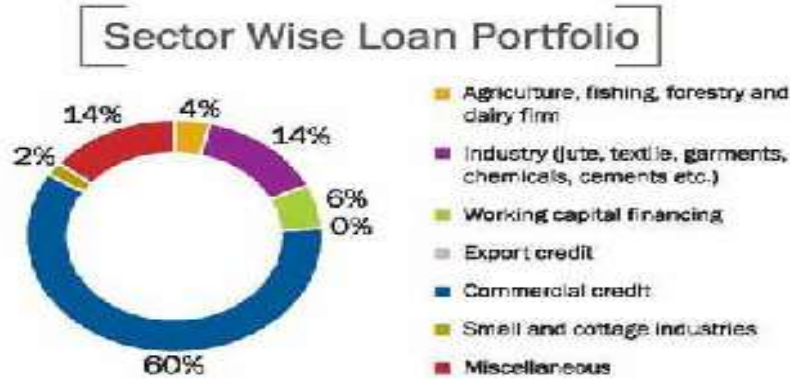


Figure: Sector Wise Loan Portfolio

2.5.6 Credit concentration

Credit concentration is shown in the following pie-chart to demonstrate the area of concentration of loans and advances. About 34% of total loan portfolio is concentrated outside Dhaka.

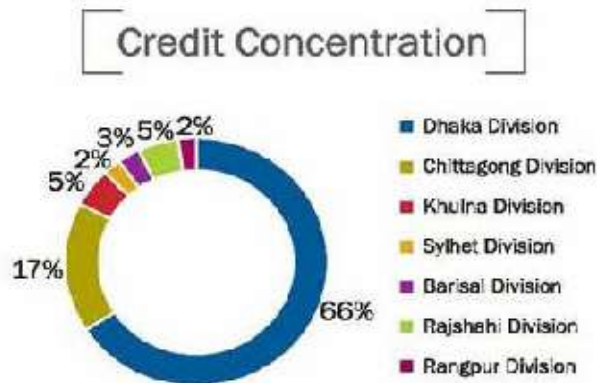


Figure: Credit concentration

2.5.7

Customer deposits by 17.7% in 2011. The year with total deposits of BDT 103,726 million compared to 88,158 million in the year 2010

Deposit:

of the bank grew. The bank ended the year with total customer deposits of 103,726 million BDT compared to 88,158 million BDT in the year 2010.

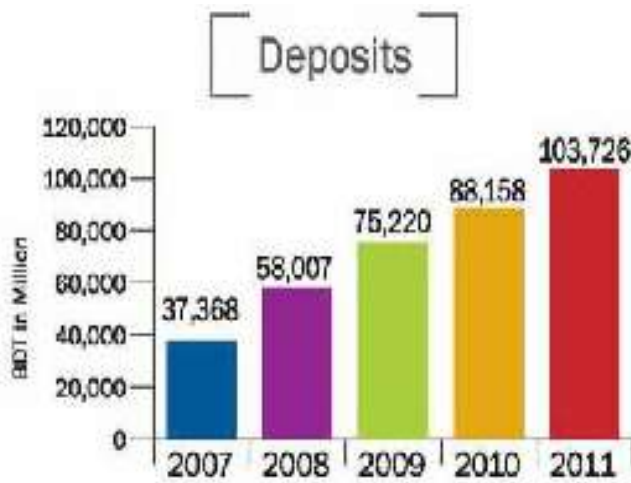


Figure: Deposit

2.5.8 Shareholders' Equity:

The shareholder s' equity has increased by 2.0% over previous year. Paid up capital of the bank has been raised from BDT 2,677 million to BDT 3,212 million through issuance of bonus shares out of retained earnings from 2010. The statutory reserve has also increased by BDT 616 million over previous year's balance of BDT 1,921 million. This year, the bank's subsidiaries also contributed in expanding its balance transferred from profit & loss account.

Figure: Shareholders' Equity

2.5.9 Credit Ratings:

According to the Bangladesh Bank's BRPD Circular No. 06 dated July 05, 2006 and in order to improve the risk management and corporate governance as well as to safeguard the interest of investors, depositors, creditors, Shareholders; the Bank was rated by Credit Rating Agency of Bangladesh Limited (CRAB) for the year ended 31 December 2011. The credit rating of BRAC Bank based on financial statements for the year ended 31 December, 2011 is under process and will be published in due course. They are pleased to inform that Credit Rating Agency of Bangladesh Limited (CRAB) has affirmed "AA3" (pronounced Double A three) rating in the Long Term and "ST-2" rating in the Short Term to BRAC Bank Limited on their latest rating on June 06 2012.

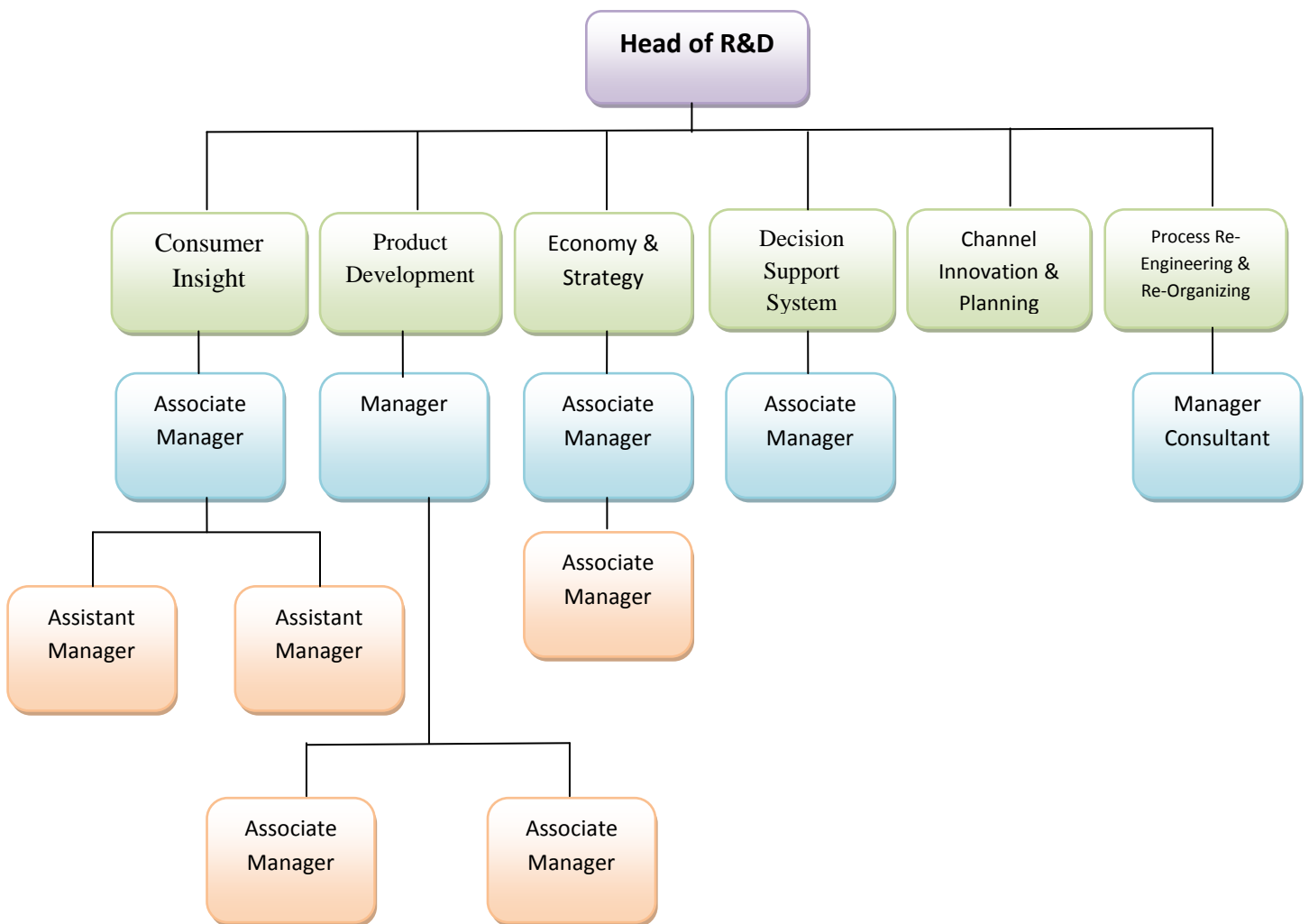
2.5.10 The bank has four subsidiaries

1. BRAC EPL Investment Limited,
2. BRAC EPSL Stock Brokerage Limited,
3. B-Kash Limited
4. BRAC Saajan Exchange Limited and, one associate company.

In 2010, BRAC Bank Limited has established a Research and Development (R&D) wing with a view to equip the Bank with innovation in existing products, processes, service outlets, and business strategies. This wing will work to gain valuable market insight to make prudent and

informed business decisions. With the increasing degree of competition among different financial institutes, constant innovation and re-engineering in products and services is a key differentiating factor for a bank to achieve and sustain the leading market position in the industry. For this, a small team of highly skilled researchers has been appointed to pioneer the R&D Division of the Bank in becoming a one stop center for providing all kinds of research needs of the Bank. The functional wings of R&D as following organ gram:

Organ gram of the R&D of BBL



3.1 Nature of the Job (Work Related):

According to the proposed organizational hierarchy, six functional wings will blend the research activities of the Bank in a seamless way in order to consolidate and create an

upswing in its growth cycle. Among the six functional wing of the department only four are currently active:

- Product Development
- Consumer Insight
- Decision Support System
- Strategy Development

My job responsibility is to assess the needs of the four active wings. Basically, I am an intern for the Consumer Insight wing of R&D and this wing-work is my first priority.

3.1.1 Product Development and Review:

Though the activities of this division only paddled off during the last quarter of 2010, the division has already undertaken some initiatives, which have assisted the Management in the decision making process. Some of the key initiatives of the Division in 2010 are as follows:



Figure: Product Development & Review

Working Process of R&D Division of BBL

3.1.2 Consumer Insight:

The consumer insight wing of R&D main job responsibility is “Mystery Shopping”. The objective of the mystery shopping was to track and assess service standards of selected branches of the bank that the “customers” experience. The service tracking was done on selected activities through assessing their service delivery levels with a view to identify areas of improvement. The whole functions of mystery shopping are done by the intern students. As an intern of R&D division I was also a part of this mystery shopping. My responsibility was to monitor several organizations and financial institutes and their service quality as well as their services, places and environment. According to the job I had to visit different branches of BRAC Bank in the Dhaka Division to monitor and observe their service quality and environment. The mystery shopper works just like an ordinary customer and interact just as an ordinary customer would do.

Sometimes I went there with a group as a mystery shopper to evaluate that particular branch. I have to note down the time I entered, out-time, Queue time, service time, their greeting skill, speaking skill, listening skill, product & service focus and promptness, attire & self organization, politeness & courtesy, conversation closing skill, branch environment and service delivery process. Then I have to make a summary of these observations and also a report our progress after reaching on office. Then consumer insight management will evaluate it for their further “Mystery Shopping” research.

Another key responsibility of my internship was to conduct survey for a new liability product of BRAC Bank. The survey was regarding the likability of a liability product for its existing and potential customers. In order to authenticate the findings of the needs and wants of both kinds of customer survey, the survey sample was 30-50 existing and another 30-70 potential customers for each product review. This survey was conducted by the phone. A group of Interns is carrying out this survey work through phone from 10 am to 7 pm continuously within 2 to 3 days time period. CI management will nominate a “Project Manager” from this survey group to monitor the whole survey work. A project manager is treated as a group captain with all sorts of responsibility. In my three months of internship period, I was involved on eight

different types of product review and likability phone survey and I was nominated and contributed as a “Project Manager” continuously six times successfully.

3.1.3 Product Development:

One of the major job responsibilities in the product development wing is to know about the competitor policy. I was spending time in different banks to collect information regarding their services and to make report to the bank authority. I did this work and I have visited 37 banks out of 47 banks in Bangladesh. My work in these wings was more or less like a corporate spy. I visited most of the banks of Motijheel and Gulshan areas. We mostly collected their basic information about the loan and deposit product or any kinds of special offers they might provide for their customers. At the end of my internship, my job responsibility was to collect data from the Bangladesh Bank’s website to analysis on the financial market outlook and BRAC Bank Contribution. I also collected any types of financial related records from the newspaper and internet.

3.1.4 Decision Support System:

There was a fixed responsibility in this wing which was paper archiving. The paper archiving is a small database project within the R&D division. Every morning I used to collect the news which was financial in nature like Banking Information, Share Market, Competitor Bank Announcement and etc. The purposes of this database are renewing the news quickly when writing any reports for the Bank. The concept of being with some key words entered in the database so that the appropriate news would appear.

In this section I did some data archiving work by using Microsoft Access, Microsoft Excel and SPSS works through computer. Basically this data was product review and likeability data, which was collected through the phone survey and as well as field survey. Then I did statistical work with SPSS software with the proper guidance of our associate manager. These types of data entry and statistical analysis helped me to gather huge experience, which may help me in my future career.

3.2 Objective of R&D (Organization Wide):

With the increasing degree of competition among different financial institutes, constant innovation and re-engineering in products and services is a key differentiating factor for a bank to achieve and sustain the leading market position in the industry. Taking the right business decision at the right time in the right way may result in a better competitive edge over its competitors. Thus research findings will help Management to pin point the fact and figures that will ensure the highest Degree of Correctness of the decision in the shortest possible time. R&D is considered to be an investment for the Bank, as opposed to an expense.

3.2.1 Recent product Review and development activities of R&D division:

There are some product review and development activities started on BBL's R&D division after I have started my internship on BBL R&D division. These recent Review and developments work of R&D division are,

3.2.2 Flexi DPS Product Review survey 2012:

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. Interest is accrued to the FDPS account on monthly basis. Interest (after adjusting 10% Government tax on the interest amount) will be paid at maturity date, as per the Interest Rate Matrix.

3.2.3 Money Multiplier Product Review Survey 2012:

Money Multiplier is a new product. The minimum amount of opening of this term deposit is 10,00,000 taka. There are no ceiling amounts to open it. There are multiplying amount saving option in this term deposit. The principal amount will be double in a 6.5 years' time period. For now on the available scheme type is only double. There will be no auto renewal option for this. There will be a facility of saving interest rate even after partial/early. The positive sides of this Money Multiplier are loan facility, nomination facility and early encashment facility. There are no link

accounts required for Money Multiplier, if the account has more than 1 crore deposit on it. There will be no extra documentation hassle required for this Money Multiplier term deposit.

3.2.4 Market Likability of Unit FD:

Unit FD is a new product. The minimum amount of opening of this account is 100000 taka. There are no ceiling amounts to open it. There are unit based encashment facility is this saving account. There are partial encashment is allowed only once within the tenor of FDR. Over draft facility is available for this FDR. There will be an auto renewal option for it. There will be a facility of saving interest rate even after partial/early encashment. The positive sides of this Unit FD are there will be not any hidden charges and nomination facility and premature encashment facility will be available.

3.2.5 Current Plus Product Review Survey 2012:

Current Plus Account offers you the freedom of unlimited transactions. There is no intercity transaction fee for this account. The minimum account opening balance requirement is BDT 25,000. There is no Annual Debit Card Fee, if yearly average balance BDT 25,000 or above is maintained, otherwise BDT 600+VAT will be charged on anniversary. The account has a Half - Yearly Account Maintenance Fee of BDT 500 + VAT. However, the fee will be waived if the account maintains an average balance of Taka 25,000 or above for the last six months. The account comes with a 25 pages first cheque book for free.

Key Features:

- Account opening balance of BDT 25,000 only.
- No intercity transaction fee.
- No Debit Card fee, subject to fulfillment of criteria.
- No upfront Fee or charges.
- First cheque book of 25 pages for free

3.2.6 Current Plus "Reward Points":

Loyalty program for Current Plus account holders which offers attractive “Cash Back” facility. Guests will enjoy cash back in their Current plus Account as their deposits grow.

Minimum monthly average balance required to earn reward point is BDT 25,000.

Reward points will be calculated every month and carry forward to the next month. On the basis of accumulated reward points, cash will be credited to the Current Plus account on 31st December of every year.

Current Plus Reward Point balance information will be reflected in the monthly e-Statement for the guest’s convenience of tracking.

3.2.7 Product Review Survey 2012 of Ezee A/C:

BRAC Bank offers EZee Account a non-cheque interest bearing account for small savers who are in frequent need of transaction. Clients don’t need to write a cheque or stand in a long queue to draw their own money from BRAC Bank. They can get a Debit Card to operate their account round the clock. Ezee Account is an interest-bearing current account which offers interest rate of 2% p.a. The minimum account opening balance requirement is BDT 2,000. Any balance greater than zero will be eligible for interest. There is no Annual Account Maintenance Fee. Annual Debit Card Fee is BDT 600 + VAT. This is a non-cheque-book account.

3.2.8 Planet Card Product Review Survey 2012 (Visa/ Master Card/ Planet Debit Card):

Planet card is an initiative to protect this world and to present a better tomorrow for clients future generations. When clients are availing a planet card, they are donating for our environment-friendly initiatives which include:

- Waste management projects
- Renewable energy projects
- Tree plantation programs and many more

Enhanced Functionalities

- Enhanced daily cash withdrawal limit of BDT 50,000 from ATM Booth
- Cash withdrawal facility from
 - More than 200 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

Convenience of Shopping

- No need to carry cash
- Shopping through 1,500+ BRAC Bank POS terminals
- Acceptance at 8,500+ other bank POS terminals
- Discount at over 60 restaurants across the country
- Discount at over 70 lifestyle stores across the country
- Debit card usage facility at selective filling stations all across the country

3.2.9 Triple Benefit Product Review Survey 2012:

Triple Benefits Savings Account offers a high interest rate of up to 8.5% p.a. Interest is credited to the account every month on average monthly balance. The minimum account opening balance requirement is BDT 50,000

Interest Rate:

Monthly average balance Rate

- Below Tk. 50,000 0%
- Tk. 50,000 to less than Tk. 5 lac 3%
- Tk. 5 lac to less than Tk. 25 lac 5%
- Tk. 25 lac to less than Tk. 20 core 8%
- Tk. 20 core & above 8.5%

Monthly average balance of BDT 50,000 & above will be eligible for interest. Interest forfeiture rules are not applicable for this account. There is no Annual Debit Card Fee, if yearly average balance BDT 50,000 or above is maintained, otherwise BDT 600+VAT will be charged on anniversary. There is no Half Yearly Account Maintenance fee for this account if half yearly. Monthly average balance of BDT 50,000 & above will be eligible for interest. Interest forfeiture rules are not applicable for this account. There is no Annual Debit Card Fee, if yearly average balance BDT 50,000 or above is maintained, otherwise BDT 600+VAT will be charged on anniversary. There is no Half Yearly Account Maintenance fee for this account if half yearly

Key Features

- Account opening balance: BDT 50,000 only.
- Interest rate of up to 8.5% p.a., credited to the account every month.
- No Debit Card fee, subject to fulfillment of criteria
- No upfront Fee.
- Free first cheque book of 12 pages

3.2.10 Future Star Account:

Future Star Account is a savings account for minor that offers an opportunity to save for client's child future. The account is available for the children below 18 years of age. However, legal guardian of the child will operate the account on behalf of the minor. Future Star Account offers a high interest rate of up to 8% p.a. Interest is accrued on monthly average balance and applied to the guest account yearly. The minimum account opening balance requirement is BDT 2,000.

Interest Rates:

- Monthly Average Balance Rate
- Below Tk. 50,000 4%
- Tk. 50,000 to less than Tk. 1 lac 6%
- Tk. 1 lac & above 8%

Fund cannot be withdrawn until the child reaches 18 years of age. However, on emergency case, fund can be withdrawn by closing the account. In this case, if the account is

closed before one year, interest amount shall be forfeited. Only self-deposited amount will be paid to the account holder.

Key Features:

- Account opening balance: BDT 2,000 only.
- Interest rate of up to 8% p.a., credited to the account yearly.
- Free colorful passbook.
- Free privilege card.
- No relationship or account maintenance fee

3.3 Corporate Social Responsibility:

The 3P philosophy "People, Planet and Profit" has become their core belief at BRAC Bank and part of the DNA of their business. They as a Bangladeshi Bank have taken initiatives not only for the people and society as a whole but also maintain the same values while carrying their day-to-day business.

As a SME- focused bank, they provide financial facilities to un-banked SME Entrepreneurs at grassroots level for their financial inclusion, a service that has been recognized it as a performance indicator of CSR programs. As part of their commitment to planet, they have launched a project to salaries all SME Unit Offices. They also have planned to bring their branches under solar energy gradually. As a part of CSR by Bangladesh Bank they also give top priority in ensuring gender equality in office, a practice which has been adopted within their bank well before Bangladesh Bank puts BRAC Bank is blessed with inspirations from its Founder Chair man Sir Fazle Hasan Abed on serving the humanity. Bangladesh Bank Governor Dr. Atiur Rahman has always been supportive to the Bank in expanding social initiatives for covering more people and more areas. Board of Directors of the Bank always provides their valuable insights and guidance in carrying out their CSR programs. Employees work here with a greater mission. All employees are motivated to contribute to bank's planet and CSR initiatives. They are bringing out new ideas taking bank's social portfolio to newer heights.

To expand and carryout social activities in a focused way, BRAC Bank this year has launched a CSR Desk with a dedicated team. The desk is initiated in line with the guidance of

Bangladesh Bank, will help the bank to put focus on different CSR activities and ensure transparency. BRAC Bank Limited follows the 3Ps (People, Planet and Profit) philosophy in its operation. Besides core business, the bank carries a strong emphasis on Corporate Social Responsibility initiatives that support the people and protect the planet. This initiative will carry out CSR jobs in an organized way. Also general people and prospective beneficiaries will get access to information about the bank's CSR programs. Currently, BRAC Bank's CSR program

Focuses on:

- Environment
- Education Health
- Young leadership
- Culture & heritage and
- Community development

R&D is often thought of as synonymous with high-tech firms that are on the cutting edge of new technology, many established consumer goods companies spend large sums of money on improving old products. For example, DBBL, PBL etc. On average, most companies spend only a small percentage of their revenue on R&D.

BRAC Bank Limited is facing a dilemma today at the core of the banking business. Though banks are increasingly dependent on services, their innovation processes remain products. However, banks are operating in a competitive environment where products offered to the customer are more homogenous; hence the only differentiating factor is SERVICE.

The traditional ways banks deploy to look for breakthroughs in service development may produce occasional successes, but there are doubts about being able to strengthen the consistency and productivity of service development and innovation in general over time.

4.1 The Prior Scenario of Research and Development Division:

Being one of the fastest growing banks in the country, BRAC Bank always aims at giving their clientele the BEST guest experience. On this note, since 2005, they are conducting Bank-wide Mystery Shopping to measure the Service Quality of the Bank. Taking into consideration economic development, change in demographic, lifestyle, growing competition among the peers and finally the Bank's continuous endeavor to be the Best Banking Service Provider, Research & Development (R&D) has conducted an extensive survey to learn about "Guest Service Experience and Their Aspiration about Service Delivery".

This all-out initiative realigned the existing Service Quality (SQ) Model by shaping it to be more role-specific in accordance with the guest's aspirations as revealed through research. They are optimistic that this whole new approach will bring dynamism in their service delivery in the near future; the trendsetter will yet set another industry benchmark in service.

4.2 Objective of R&D:

With the increasing degree of competition among different financial institutes, constant innovation and re-engineering in products and services is a key differentiating factor for a bank to achieve and sustain the leading market position in the industry. Taking the right business decision at the right time in the right way may result in a better competitive edge over its competitors. Thus research findings will help Management to pin point the fact and figures that will ensure the highest Degree of Correctness of the decision in the shortest possible time. R&D is considered to be an investment for the Bank, as opposed to an expense.

4.3 R&D Division on BRAC BANK LIMITED:

Having realized the importance of R&D, the Bank has decided to launch internal R&D activities in a harmonized way, consistent with overall operations of the Bank. In this regard, a small team of research professionals has been recruited this year to initiate R&D activities in the Bank for creating a new dimension in all aspects of banking research. This move will ease the dependency on the external research agencies; which will not only reduce costs, but will also ensure quality while securing confidentiality.

4.4 R&D Division on Bangladeshi Banking Industry & Comparison:

To create innovative production methods, products or service strategies we must have innovative team. Often, corporate structure stifles creativity in the workplace by rewarding conformity over creativity.

Yet an innovative, productive R&D department is one that is allowed to work with a certain degree of autonomy. Failures are celebrated, not condemned. Collaboration, sometimes even with the competition, is encouraged; and the value of knowledge and process outweigh concerns about the bottom line.

In the banking world, research and development is the phase in a product's life that might be considered the product's 'conception'. That is, basic science must exist to support the product's

viability, and if the science is lacking, it must be discovered - this is considered the research phase. If the science exists, then turning it into a useful product is the development phase. Further terminology refinements might call it engineering to refine production so that the product can be made for a cost that appeals to consumers.

In Bangladesh Research and development division are not yet familiar. There or four banks have a well established R&D division. These banks are;

1. Dutch-Bangla Bank Limited
2. Prime Bank limited
3. Mutual Trust Bank Limited
4. First Security Islami Bank Limited

Dutch- Bangla Bank Limited:

DBBL has a custom banking service through R&D division to suit any business of any size. Dutch-Bangla Bank offers a complete tailored banking facility for the customers.

Prime Bank limited:

Prime Bank limited used R& D sector properly to ensure innovative in the development of new banking products and services with affluence and prosperity, both for a company and country and to provide the most courteous and efficient service in every aspect of business. Development team knows that what type of modified and customized banking service they might need.

Mutual Trust Bank Ltd.:

Mutual Trust Bank Ltd. implemented their R&D to secure a resilient capital base and enhance their business order to achieve sustainable growth in accordance with the following policies:

- 1) Forward looking transforming our business model to grow steadily under a competitive environment, and
- 2) Emphasizing return on risks and costs in order to improve our asset quality and thoroughly control expenses and credit costs.

First Security Islami Bank Limited:

FSIBL is focused on a balanced growth strategy of new product line through its research and development division .The research and development division continually invests in new product, distribution and service innovations to grow its mass affluent customer base and expand its premier proposition. Divisions continually look to improve customer experience and operational excellence.

There are lots of banks who have research and development division but the reality is these divisions are not participating in any research work. There works are limited in to the management policies. But to ensure their existence in banking sector they have to take it more seriously, otherwise they may be abandoned by the other strong competitor.

4.5 Competitive situation of R&D of BRAC BANK LIMITED and Others:

BRAC Bank Limited has an independent Research and Development wing to improve their service quality. There are not much banking organizations having this types of R&D division facility. Only few banking organizations are having this types of independent R&D division and some of them have makeshift R&D division to maintain their research and development work. Because of these circumstances, BRAC Bank Limited having a competitive advantage over other banking organization on the basis of their independent R&D division.

4.6 R&D features:

R&D Division is likely to face the following challenges in the approaching year 2012: Devise well judged strategy in order to shelter the Bank from local and global economic fluctuation;

- Design and develop different products for different customer segments, bypassing the traditional "One Product Fits All" concept;
- Identify customer dissatisfaction regarding products or services and suggest appropriate remedies to the Management. Maintain the SQ standard throughout the cycle with appropriate training to the front line officers;
- Identify newer arenas of business before their competitors. Evaluate the performance of the sectors already financed by the Bank and caution on impending difficulties.
- Restructure the existing business model for optimum value creation of the Bank; Access the Core Banking Database as and when required. Develop the ability to generate MIS as per research demand;
- Get the right skilled resources with the right attitude at the right time within the available budget;
- Build awareness on the essence of research, firstly within the Bank itself and cascade to the customers.

- They are a work in progress. They are confident in their ability to deploy the right strategies to contribute to the growth of the Bank in 2012 and the years to come.

4.7 Observation and Involvement on R&D work:

It was a very interesting experience for me working at BRAC BANK LIMITED:

The BRAC Bank office environment is very friendly; it is such that you can address your seniors by “Bhaiya”. Work is never left pending for the next day unless it is absolutely necessary. The work process has been made faster by giving interns computer to work with a good job performance. The work activities are always set and divide for each of the employees. Each and every employee has a certain set of responsibilities. He or she carries out those responsibilities throughout the day. But the staff members are always available to help each other out in times of need. The corporate culture of BRAC Bank is that the employees can only leave the office after their boss leaves.

5.1 Internship Position:

I have worked in Research & Development Division of BRAC Bank Limited among all of the wings of consumer insight, product development process, and product review process with the help of field and consumer survey, new product research and model development with mystery etc. BRAC Bank has a rich R&D Department. It maintains the organizational responsibilities successfully. The R&D team of BRAC Bank is completely organized and well reputed team.

5.2 My areas of experience:

During my internship period I have gathered different project basis experiences from R & D division of BRAC Bank Ltd. My areas of experience are;

a) Project Name: Mystery Shopping

Responsibilities:

- ❖ Visiting and monitoring performance of BSSO and CCSO in different branches of BRAC Bank Ltd. for assessing and developing internal service quality.
- ❖ Visiting and monitoring service quality of other bank for making a comparison with BRAC Bank Ltd.
- ❖ Monitoring agents (assigned to collect data) and reporting to project head.

b) Project Name: Impact Measurement Study (IMS)

Responsibilities:

- ❖ Supervising the enumerators (Assigned person to collect data).
- ❖ Briefing and informing daily task to enumerators.
- ❖ Collecting information from enumerator via phone call.
- ❖ Inputting and updating the collected data from enumerator for analytical purpose.

c) Project Name: Product Review and Development survey 2012.

This includes the following product review:

Fixed Deposit Receipt (FDR), Current Account (CA), Short Notice Deposit (DPS)
Letter of Credit (L/C), Deposit Pension Scheme (DPS).

Responsibilities:

- ❖ Collecting data for opening FDR from all commercial bank in Bangladesh.
- ❖ Verifying data via phone call.
- ❖ Data entry for analytical, product development and product verification purpose.

5.3 My Personal Development

After doing my three month long internship, I gathered so many fruitful experiences which I can use in my future carrier. Working in R&D Division of BRAC Bank Limited, I got an opportunity to justify myself and know how to adapt me in a corporate environment, How to practice professionalism as well as How to apply educational knowledge in the real life situation. **If I asked for speak about my personal development entirely, I will say my level of confidence has grown-up.** My purposes of the research paper are to find out the importance of the Research and Development division on financial institution by highlighting the process and feedback of the product review and launching process and procedure.

I successfully finished my internship period, with the help of all of my office managers, supervisor, my fellow collogues and my family. Hope I can build up my personal skill level on various financial analysis, software operation, statistical skill and observation ability which I achieved from my little period of my internship period of Research and Development division of BRAC Bank Limited.

6.1 Problem finding:

BRAC Bank is one of country's fastest growing banks in the banking sector. Although it has a great contribution in banking sector of Bangladesh at the same time it has also some problem which is unexpected for BRAC Bank Ltd. During my internship period, I was trying to find out problem related to R&D Activities of BRAC Bank Ltd. These are;

Lack of motivation:

There is lack of motivation in R&D Division which is very needed to get the maximum output. But during my entire internship period I noticed that the senior manager always pressured on junior employees and interns.

Lack of training facility:

As most of the valuable work is done by Associate manager and junior employee in R&D Division, The authority should provide proper training facilities for Associate manager and junior employee but authority is not doing that.

Lack of superior working environment:

There has some problem on central Air Conditioner in the R&D Division of BBL. All AC in R&D always make huge sound pollution that hamper working environment in R&D due to this reason all employees are unable to provide better service.

R&D still works manually:

R&Ds computer technology is not well maintained like other banks. Their working system is pretty much manually operated. Sometimes manager send data and documents through Pion or intern to other divisions.

✚ Some manager and officers are not friendly with Intern:

When I was working at R&D of BBL, I observed that some managers are not friendly with intern. Sometimes they are not appreciating for any good job but they do bad behave for any mistake done by intern.

✚ Lack of computer facilities for intern:

There are lacks of computer facilities for interns which are much needed for any research division as there is huge load of work in R&D Division of BRAC Bank ltd.

✚ Equipment problem:

It is another big problem especially for R&D Division of BRAC Bank limited. During my total internship period we notice that all office equipments like printer, Photostat machine are not working properly. Those are hampering the total working process of R&D.

✚ Lack of manpower in R&D:

R&D's has no enough manpower according to the huge load of work. As the existing employees have to take huge load, so there might be probability of low research quality.

6.2 Recommendations:

In this part of recommendation, some valuable issues of BRAC Bank Ltd. are discussed. These were the aspects that came out while working as an intern at BRAC BANK LIMITED. These were related to various parts of BRAC Bank Ltd and thus are placed in the list of general recommendation. Those are given below which should be taken initiatively:

- ✚ Introducing and implementing improved product and service quality according to customer's needs and likeability.
- ✚ Efficiently distribute the number of employee in required position.
- ✚ Make the salary structure attractive to the employee.
- ✚ Make succession planning.
- ✚ Reduce the extra workload of the employee.
- ✚ BBL should increase the manpower of R&D.
- ✚ The Human Resource Division's control must be structured.
- ✚ Arrange co-curricular activities for employee's refreshment.
- ✚ Managerial control should be implemented perfectly.
- ✚ Arrange proper training for the employee.
- ✚ BBL should provide that much of information in orientation training. So that they might ensure their work process.
- ✚ For better training managers can go for professional trainers.
- ✚ Supply more training materials during training.
- ✚ After training, it is very much important to take evaluation about training program. Managers should evaluate the trainees properly.
- ✚ Online recruitment system is not upgraded. They should upgrade it.

- ✚ Better MIS support is needed for smoother operation.
- ✚ There is no any specific place for intern where they can work. Interns have to roam around and search for a place so this should be improved and a fix place should be given to the interns so that they can work comfortably.

However the satisfaction level of BRAC Bank is good enough. But some customers have expressed their dissatisfaction about the BRAC bank in various aspects. It has a profound effect on the overall satisfaction level of the bank. I have to make some recommendations based on the findings that I have got from my research. I hope the recommendation will help the bank to take necessary steps in order to increase the satisfaction level of customers of BRAC Bank.

6.3 Conclusion:

Today banking business becomes more competitive than before. Now customers are more aware and become smart to compare between the banks. And then choose the most convenient bank for them for dealing with their hard earned cash and business finance. Considering the fast moving and altering business era in the world each and every business organizations need to upgrade their ways of business to keep pace in the changing situation. But it should also be considered that the customers have very few choices of banks with which they can actually compare the Consumer banking services of BRAC Bank.

The bank has successfully made a positive contribution to the economy of Bangladesh with in very short period of time. Its profit is gradually increasing. The local banks have recently focused their attention to customer service, satisfaction regarding deposit-banking services. Moreover there are a good number of private banks that are into the competition. Therefore it is better for BRAC Bank not to let the situation be worst and should emphasize on serving customers effectively and efficiently to ensure better services.

Research and Development is one of the most confidential divisions of BRAC Bank Limited. Interns did not allow for getting the information which is too much confidential for the Bank. So in report all the information used was meant for the public. It was an honor for me that I have worked as an intern in a reputed organization like BRAC Bank Limited.

The BRAC Bank Limited is a bank that confirms the best service to the customers. BRAC bank Limited is the fastest growing Bank in Bangladesh. By working in the research and development division, the knowledge learnt would be helpful enough to sustain with the real organizational environment.

References:

Personnel Reference:

Md. Nurul Hai Associate Manager Economy & Strategy R&D Division BRAC Bank Limited	Md. Masud Rana Associate Manager Decision Support System R&D Division BRAC Bank Limited
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