

*Customer satisfaction level*  
*Of*  
*AL-ARAFAH ISLAMI BANK LIMITED*



*Submitted to*  
Showvonick Datta  
Lecturer,  
BRAC Business School

*Submitted By*  
Ariful Alam Shahed  
ID: 09304043  
BRAC Business School  
BRAC University

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28<sup>th</sup> march, 2015

Internship report  
On  
Customer satisfaction level of AIBL



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*LETTER OF TRANSMITTAL*

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28<sup>th</sup> march, 2015

Mr. Showvonick Datta

Lecturer

BRAC Business School

Subject: Submission of Internship Report.

Dear Sir,

It is, indeed, an honor to deliver my internship report on customer satisfaction level of Al-Arafah Islami bank as a prerequisite for the completion of my BBA program. This report is based on secondary data available as well as the information generated from my investigation. I have invested the best effort I can to prepare this report and eventually come up with a worthwhile conclusion.

However, had any clarification required, I would be glad providing them as best as I can.

Sincerely yours,

Ariful Alam Shahed

ID # 09304043

Dep# BBS

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## *ACCKNOWLEDGEMENT*

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First and above all else, I would like to pay my deepest gratitude to the almighty Allah who has helped me through all the difficulties in my life and showed me the right path. It is Allah who has made my journey into the vast sea of knowledge smooth and easier.

My sincere gratitude also goes to my supervisor Mr. Showvonick Datta, Lecturer BRAC business school, who has guided me from the very beginning of my Internship program. His inspiration and encouragement has made me confident and self-dependent. His tireless efforts and appreciation has greatly contributed to my thesis. All the shortcomings and weakness of this report, however, are incurred by me.

I want to thank all the officials of Al-Arafah Islami Bank Limited that were involved. I would especially like to thank Md. Sharif Chowdhury (AVP & Manager), Alam (...), Md. Shohel (EO), Naimul Islam (O), Ibrahim (EO) of Khilkhhet Branch for giving me time and sharing their thoughts and insights regarding their credit strategies and their bank as a whole. I would like to thank them for giving me the required information to commence this report and for providing the permission to do the required research work.

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## EXECUTIVE SUMMERY

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As part of my academic requirement and completion of my BBA program, I needed to complete a three month period of Internship program. I chose to do my Internship at Al-Arafah Islami Bank Limited, Khilkhhet Branch. At AIBL I was assigned to do my intern in two different sections as general banking, and in foreign division. In General Banking Division I took the opportunity to learn about as much as possible while I was working on the division. Al-Arafah Islami Bank Limited is one of the prominent banks in Bangladesh. In these years of long journey the bank has achieved trust from people by providing its services. The main motto of the bank is to give best quality and swift service to customers. In these three months of internship period I learn from them how to motivate customers and give quick services. General banking division is a very important department of a bank. Relationships with customers develop from here. In this report I describe the different functions of these three divisions. Here I also did a research about customer satisfaction level of AIBL. The report also gives an idea of different products and offerings given by Al-Arafah Islami Bank Limited.

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## Chapter 1: THE ORGANIZATION

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### Introduction

The term “Islamic banking” refers to a system of banking or banking activity that is consistent with Islamic law (Shariah) principles and guided by Islamic economics. In particular, Islamic law prohibits usury, the collection and payment of interest, also commonly called *riba* in Islamic discourse. In addition, Islamic law prohibits investing in businesses that are considered unlawful, or *haraam* (such as businesses that sell alcohol or pork, or businesses that produce media such as gossip columns or pornography, which are contrary to Islamic values).

Islamic banking has the same purpose as conventional banking: to make money for the banking institute by lending out capital. But that is not the sole purpose either. The basic principle of Islamic banking is based on risk-sharing which is a component of trade rather than risk-transfer which is seen in conventional banking. Islamic banking introduces concepts such as profit sharing (*Mudharabah*), safekeeping (*Wadiah*), joint venture (*Musharakah*), cost plus (*Murabahah*), and leasing (*Ijar*).

There are three types of schedule commercial banks are in operation in our economy. They are Nationalized Commercial Banks, Local Private Commercial Banks and Foreign Private Commercial Banks. AIBL has discovered a new horizon in the field of banking area, which offers different General Banking, Investments and Foreign Exchange banking system. The authorized capital of the Bank is Tk.10000.00 million and the paid up capital is Tk. 7130.98 million as on 31.12.2012. Renowned Islamic Scholars and pious businessmen of the country are the sponsors of the Bank. 100% of paid up capital is being owned by indigenous shareholders. The equity of the bank stood at Tk. 14050.69 million as on 31 December 2012, the manpower was 2110 and the number of shareholders was 52739. It has achieved a continuous profit and declared a good dividend over the years. High quality customer service through the integration of modern technology and new products is the tool of the bank to achieve success.

*(Annual report-2012)*

## History

Islam provides us a complete lifestyle. Main objective of Islami lifestyle is to be successful both in our mortal and immortal life. Therefore in every aspect of our life we should follow the doctrine of Al-Quran and lifestyle of Hazrat Muhammad (sm) for our supreme success. Al-Arafah Islami Bank started its journey on 18 June 1995 with the said principles in mind and the opening ceremony took place on 27 September 1995. The bank also known as AIBL and the head office of the bank is based in Dhaka. A group of established, dedicated and pious personalities of Bangladesh are the architects and directors of the Bank. Among them a noted Islamic scholar, economist, writer and ex-bureaucrat of Bangladesh government Mr. A.Z.M. Shamsul Alam is the founder Chairman of the bank. High quality customer service through the integration of modern technology and new products is the tool of the bank to achieve success. The bank has a diverse array of carefully tailored products and services to satisfy customer needs. The Bank is committed to contribute significantly to the national economy. AIBL provides many opportunities to their clients. They provide Deposit Scheme, Investment, SME Banking, Micro Finance, Foreign Trade etc. In Deposit Scheme, they provide Al Wadiah Current Deposit Scheme, Mudaraba Savings Deposit Scheme, Mudaraba Term Deposit Receipt, Mudaraba Short Notice Deposit etc. In Investment, they invest in Transportation sector, Hire purchase sector, Mosque and Madrasa, Village and Small investment etc. In SME Banking service, they provide SME Entrepreneurs, Agro Industries, Small business, women entrepreneurs etc. In Micro Finance, they work to facilitate rural entrepreneurs, to develop socio economic condition of rural people, to create employment scope etc. The bank also provide others services such as Internet banking, SMS banking, Mobile banking, Locker service, Remittance service, ATM service etc. The bank has 89 branches, 8 SME units and 1807 manpower, 38 authorized dealers (AD) throughout the country and the number of shareholders were 54267. Its authorized capital is Taka 10,000.00 million and the paid-up capital is Taka 5893.37 million o. (up to December 2011) the bank uses all latest banking system to serve their clients and also use latest technology. Wisdom of the directors, Islamic bankers and the wish of Almighty Allah make Al-Arafah Islami Bank Ltd most modern and a leading bank in Bangladesh. In August 1974, Bangladesh signed the charter of Islamic Development Bank and committed itself to reorganize its economic and financial system as



per Islamic Shariah. For the favorable attitude of the government of the people's republic of Bangladesh, at present seven Islamic Banks operate in Bangladesh Financial market. These are:

- Islamic Bank Bangladesh Ltd.
- The Oriental Bank Ltd. (Al-Baraka Bank Bangladesh Ltd.)
- Al – Arafah Islami Bank Ltd.
- Social Investment Bank Ltd.
- Shahjalal Islamic Bank Ltd.
- Exim Bank Ltd
- ICB Islamic Bank

#### **Products / Services Offering**

- Al wadiah current account (CD).
- Mudaraba short notice deposit (SND).
- Mudaraba savings deposit (MSD).
- Mudaraba term deposit receipt (MTDR).
- Monthly installment based term deposit (ITD).
- Monthly profit based term deposit (MPTD).
- Al-Arafah monthly Hajj deposit (MHD).
- Al-Arafah term Hajj deposit (THD).

- Monthly installment based marriage savings investment scheme (MIS).
- Al-Arafah savings bond (ASB).
- Foreign currency deposit (FCD).
- Pension deposit scheme (PDS).
- Cash deposit waqf deposit scheme (CWD).
- Mudaraba lakhpoti deposit scheme (LDS).
- Mudaraba millionaire deposit scheme (MDS).
- Mudaraba (special) pension deposit scheme (MSPDS).
- Mudaraba kotipoti deposit scheme (MKDS).
- Mudaraba double benefit deposit scheme (MDBDS).
- Mudaraba triple benefit deposit scheme (MTBDS).

## Operational Network Organ gram

### ::: Managing Director :::



**Md. Habibur Rahman**  
Managing Director

### ::: Deputy Managing Director :::



**Md. Rezaul Rahman**  
Deputy Managing Director



**Md Mofazzel Hossain**  
Deputy Managing Director



**Kazi Towhidul Alam**  
Deputy Managing Director



**Md Abdul Jalil**  
Deputy Managing Director



**Md. Faziul Karim**  
Deputy Managing Director



**Md. Mahmoodul Haque**  
Deputy Managing Director

### ::: Executive Vice President :::



**Muhammed Nadim ACA**  
Executive Vice President



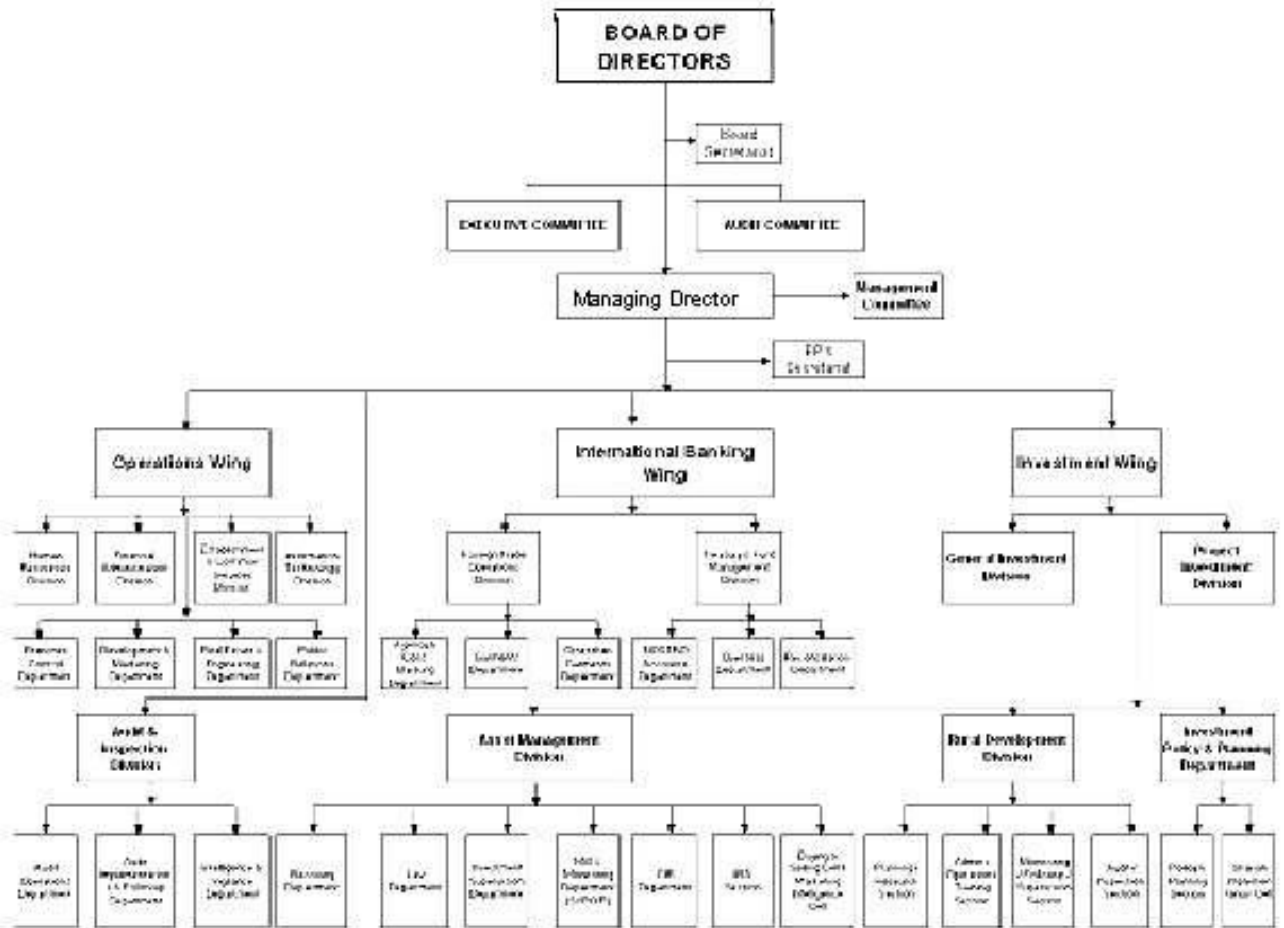
**Syed Masoudul Bari**  
Executive Vice President



**AHM Rafique**  
Executive Vice President



**Sheikh Mohammad**  
Executive Vice President



## **Vision for the Future**

Al-Arafah Islami Bank is a customer focused modern Islamic bank that want to achieve sound and steady growth in both mobilizing deposit and making quality investment to keep their position as a leading Islami bank in Bangladesh.

To deliver financial services with the touch of their heart to retail, small and medium scale enterprises, as well as corporate clients through their branches across the country.

Their business initiatives are designed to match the changing trade & industrial needs of the clients. Visions for the Future are Given Bellow:

- To operate based on Islamic principles of transactions along with ensuring justice and equity in the economy.
- To be a pioneer in Islami Banking in Bangladesh and contribute
- Significantly to the growth of the national economy.
- To improve Banker customer relationship through improving Customer service
- To develop now and innovate product/service through integration of technology and policy and principle.

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## Chapter 2: JOB

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### **Nature of the jobs:**

- Cash section
- Accounts opening section
- Cheque clearing section
- Local remittance section (Pay order, DD, &TT)
- MTDR section
- Accounts section
- Establishment section

### **Cash Section**

Cash department is the most vital and sensitive organ of the branch as it deals with all kinds of cash transactions. This department starts the day with cash in vault. Each day some cash that is opening cash Al-Arafah Islami Bank are transferred to the cash officers from the cash vault. Net figure of this cash receipts and payments are added to the opening cash Al-Arafah Islami Bank. The figure is called closing Al-Arafah Islami Bank. This closing Al-Arafah Islami Bank is then added to the vault. And this is the final cash Al-Arafah Islami Bank figure for the bank at the end of any particular day.

### **A) Functions of Cash Department**

#### **Cash Payment**

Cash payment is made only against cheque. This is the unique function of the banking system which is known as .payment on demand. It makes payment only against its printed valid Cheque.

## **Cash Receipt**

It receives deposits from the depositors in form of cash. So it is the mobilization unit of the banking system. It collects money only its receipts forms.

## **B) Cash Payment or Cheque Cancellation Process**

Step a) Receiving Cheque by the employee in the cash counter

Step b) Verification of the followings by the cash Officer in the computer Section

Date of the Cheque (it is presented within 6 month from issue date) Issued from this branch  
Amounts in figure and sentence written does not differ Signature of the drawer does not differ  
cheque is not torn or damage.

Step c) Gives pay cash seal and sends to the payment counter.

Step d) Payment officer makes payment.

## **Account Opening**

This section opens accounts. Selection of customer is very important for the bank because banks success and failure largely depends on their customers. If customer is bad, they may create fraud and forgery by their account with bank and thus destroy goodwill of banks

### **KYC (Know Your Customer)**

For opening A/C the following things are mandatory-

- Commissioner Certificate
- Two copy passport size photo of client.
- One copy nominee's photo.
- Sign of introducer is verified

## **B) Accounts opening process**

- Step 1: Receiving filled up application in bank's prescribed form mentioning what type of account is desired to be opened
- Step 2: The form is filled up by the applicant himself / herself two copies of passport size Photographs from individual are taken, in case of firms photographs of all partners are taken Applicants must submit required documents Application must sign specimen signature sheet and give mandate Introducer's signature and accounts number.
- Step 3: Authorized Officer accepts the application
- Step 4: Account is opened and a Cheque book and pay-in-slip book is given.

## **C) Types of Deposit Accounts and Their Formalities**

### **Current Account**

In this kind of account a customer can deposit his money and can write one or more check to withdraw their money. For doing this notice is not required. He can deposit whenever he/ she wants to and also can withdraw it whenever he/ she wants to.

In the name of Individual

The client has to fill up a light green account opening form. Terms and conditions are printed on the back of the form. The form contains the declaration clause, special instructions etc. two copies of passport size photograph duly attested by the introducer are affixed with the form.

### **In Joint Name**

In this type, the formality is same as individual account, but in the special instruction clause, either or 'survivor' or 'former or survivor' clause is marked.



### **Private Limited Company**

Certificate of Commencement is not necessary Certificate of Incorporation, Copy of Memorandum and Articles of Association, Copy of Resolution of the Board of Directors.

### **Proprietorship**

In addition the customer has to submit the valid Trade License and Tax Paying Identification Number (TIN) along with the application.

### **Partnership Firm**

Partnership deed must be taken Mandate from the partners is essential indicating who will operate the account. In case of partnership account, the bank asks for:

- A copy of the partnership agreement (Partnership Deed)
- A letter signed by all the partners containing the following particulars.
- The name and addresses of all partners
- The nature of the firm's business

The name of the partner authorized to operate the account in the name of the firm, including the authority to draw, endorse and accepting the bills and mortgage and sell the properties belonging to the firm.

### **Limited Company**

On having the desire to open an account from a limited company, an AIBL Bank Officer asks for the following documents:

- Registration Certificate from the Registrar of Joint Stock of Companies
- Certificate of Incorporation
- Certificate of Commencement of Business

- Memorandum of Association
- Articles of Association
- Copies of Annual Accounts
- Copies of the Board's resolution, which contains

### **Joint Account in the name of Minor**

A minor cannot open an account in his own name due to the incapacity to enter into a contract. He can open an account in Al-Arafah Islami Bank Ltd in Joint name of another person who will be guardian of him.

### **Dormant account**

If any account is inoperative for more than one year is called dormant account. To operate these accounts manager permission is necessary.

### **Savings Bank Account**

This deposit is basically meant for small-scale savers. There is restriction on withdrawals in a month. Heavy withdrawals are permitted only against prior notice. Interest is paid on these types of accounts.

### **Short-term Deposit (STD)**

In Short-term Deposit, the deposit should be kept for at least seven days to get interest. The interest offered for STD is less than that of savings deposit. In Al-Arafah Islami Bank Ltd various big companies, Organizations, Government Departments keep money in STD accounts. Frequent withdrawal is discouraged and requires prior notice.

## **Fixed Deposit**

They are also known as time liabilities or term deposits. These are deposits, which are made with the bank for a fixed period specified in advance. The bank need not maintain cash reserves against these deposits and therefore, the bank offers high rate of interest on such deposits.

### **Opening of Fixed Deposit Account**

The depositor has to fill an application form wherein he mentions the amount of deposit, the period for which deposit is to be made & the name/ names in which the fixed deposit receipt is to be issued. In case of a deposit in Joint name Al-Arafah Islami Bank Ltd. also takes the instructions regarding payment of money on maturity of the deposit. The banker also takes the instructions regarding payment of money on maturity of the deposit. The banker also takes the instructions regarding payment of money on maturity of the deposit. The banker also takes specimen signatures of the depositors. A fixed deposit account is then issued to the depositor acknowledging receipt of the sum of money mentioned therein. It also contains the rate of interest & the date on which the deposit will fall due for payment.

### **D) Payment of Interest**

It is usually paid on maturity of the fixed deposit. Al-Arafah Islami Bank Ltd calculates interest at each maturity date and provision is made on that "Miscellaneous creditor expenditure payable accounts" is debited for the accrued interest.

### **E) Encashment of F.D.R**

In case of premature FDR, Al-Arafah Islami Bank Ltd is not bound to accept surrender of the deposit before its maturity date. In order to deter such a tendency the interest on such a fixed deposit is made cut a certain percentage less than the agreed rate. Normally savings bank deposit interest rate is allowed.

**Loss of FDR**

In case of a lost FDR, the customer is asked to record a GD (General Diary) in the nearest Police Station. After that the customer has to furnish an Indemnity Bond to Al-Arafah Islami Bank Ltd a duplicate FDR is then issued to the customer by the bank.

**Renewal of F.R.D.**

In Al-Arafah Islami Bank Ltd, the instrument is automatically renewed within seven days after the date of its maturity if the customer does not come to en-cash the FDR. The period for renewal is determined as the previous one.

**Cheque Clearing**

This section receives all kinds of Cheques in favor of the client for clearing as the part of their banking service. After receiving the Cheque it is necessary to endorse it and cross it specially. Basically the Cheques for clearing are of following types:

**A) Outward Clearing**

OBC (Outward Bills for Collection) Cheques of other branch of Al-Arafah Islami Bank within our clearing house area These Cheques are directly sent to the respective branch and request them to send IBCA. When IBCA comes, then customer's accounts are credited for the amount of the Cheque. Clearing Cheque Cheques of another bank within These Cheques are sent to clearing house via the Motijheel Branch. When drawee bank our clearing house area honor the Cheques, then the account of Cheque depositors are credited. OBC (Outward Bills for Collection) Cheques of another bank which is situated outside the clearing area

These Cheques are cleared in two ways: Firstly, if any branch of our bank exists within the clearinghouse area of drawee bank, then we send the Cheque to that branch of our bank and that branch collects the proceeds through clearing house formalities and sends an IBCA to us. In second way, if there is no branch of our bank, then we directly sends the Cheque to the drawee bank and request them to send the proceeds by TT, MT, or DD or by in any other means.

### **B) Inward Bills for Collection (IBC)**

From other branch of Al-Arafah Islami Bank These Cheques are settled by sending IBCA, i.e. debiting depositor's account and crediting sender's branch account. From another bank outside the clearinghouse

These Cheques are settled debiting depositor's account and sending DD, MT, TT in favor of sender's bank.

### **C) Cheque may be Dishonor**

- If the Cheque leaf is toned.
- If there is no date.
- If there is no similarity between the amount and word.

### **Debit Advice**

Suppose the shyamoly Branch of AIBL has gotten the Cheque of some clearing house. Then Shyamoly Branch will send debit advice to local office for collection. That means Shyamoly Branch do debit the local office branch and local office branch will debit Shyamoly Branch.

### **Credit Advice**

When local office make a payment in favor of Shyamoly Branch (assume), then Shyamoly Branch, will send credit advice to local office because local office is accounts payable to Shyamoly Branch.

### **Local Remittance**

AIBL sells and purchase P.O., D.D. and T.T. to its customers only. IT does not offer remittance service frequently to those other than its customer.

### **A) Pay Order:**

Pay order is and instrument that is used to remit money within a city through banking channel the instruments are generally safe as most of them are crossed.

Charges of issuing P.O

**Service charge**

Tk. 1 to Tk. 10,000	⇒ Tk. 10/-
Tk. 10,001 to Tk. 1, 00,000	⇒ Tk. 20/-
Tk. 1, 00,001 to Tk. 5, 00,000	⇒ Tk. 30/-
Tk. 5, 00,001 to Tk. 10, 00,000	⇒ Tk. 40/-
Tk. 10, 00,001 and above	⇒ Tk. 50/-

**Vat**

15% of principle amount

**B) Demand Draft (DD)**

Demand Draft is very much popular instrument for remitting money from one corner of a country another. The instrument is basically used for transfer and payment. Difference between pay order and demand draft is in terms of place only P.O. is used for remitting money within the city whereas D.D. is used for within the country. D.D. too constitutes current liability on the part of a bank. At IBBL D.D. is not sold to people other than its customer.

**Charges of DD**

Service charge

Tk. 1 to Tk. 10,000	⇒ Tk. 10/-
Above Tk. 10,000	⇒ 1 Tk. for every 1,000

**Vat**

15% of principle amount

### **C) Telegraphic Transfer(TT)**

Telegraphic transfer is one of the fastest means of transferring money from one branch to another or from one to another. The T.T. issuing bank instructs its counterpart by tested telex message regarding remittance of money. No instrument is given for T.T. unless both parties have account, as money is transferred.

#### **Charges for issuing TT**

Telephone charge Tk. 307.

#### **Service charge:**

Tk. 1 to Tk. 10,000	⇒ Tk. 107-
Above Tk. 10,000	⇒ 1 Tk. for every 1,000

### **Specific responsibilities of the job**

During my internship period I did lots of jobs, which were totally new to me. I got practical job experiment on my internship. The specific jobs which I need to attempt most of the time are following.

- ❖ Entering credit data into different excel templates
- ❖ Putting seal and signature
- ❖ Dealing with clients as per the demand of client and officials
- ❖ Responding to the queries in detail about different types of deposit schemes and accounts
- ❖ Preparing form of different deposit scheme and accounts
- ❖ Inspecting the form boxes and making forms as per need
- ❖ Filling up the important unfilled items on a form
- ❖ Filing the used, closed and pending forms
- ❖ Finding and delivering cheque books
- ❖ Processing and enlisting cheque books
- ❖ Giving guidelines to fully fill a deposit scheme or account opening form
- ❖ Informing client about account balance and transaction
- ❖ Delivering ATM Cards



## **Different aspect of job performance**

- Banking jobs are critical and also need lots of time and patients to perform because bankers have to deal with every aspect in order to satisfy clients and also earn revenue for the bank.
- Manager or head of the branch is in total in charge of the bank to take any decision. Officers mainly follow his instruction to perform their job successfully.
- General banking is mostly responsible for doing different formulation of works such as preparing report, statements, salary sheets, discussing any reports and providing ideas. They also do some sensitive work related to provide money by receiving cheques, computerized account information, provide interest on deposit
- Remittance is responsible to give daily transactions, receiving and crossing cheques, provide foreign currency which comes from abroad with the support of Western Union Money Transfer. Preparing demand draft and other bill related activities. Open new account like current or saving accounts.
- Foreign exchange department deals with opening Letter of Credit and providing support to client through bank guarantees and deal with other foreign banks and institutions from the clients' point of views.
- Card division mainly provides client information related to debit/credit card. The types of benefits the customer will get if he/she have the card. Often they go for clients' office to convince them to have the credit card. They also prepare different statements and voucher related to card.

### **Critical Observation and recommendation:**

- The numbers of employees are not efficient to perform task effectively.
- The officers in charge remain always busy with their works for this they don't have enough time to provide information even to clients or interns even if they have the intension to do so.
- Advance works are very much critical and sensitive. Because of this it takes long time to perform any task. Officers and in charge always remain very much cautious to perform their activities.
- Sometimes they give pressure to clients to give interest of loans and other sanctions which sometimes create unpleasant environment.
- They have many attractive product/ services but they do not promote their products. They can do advertise of their product/ services so that more people get attracted to it.
- Management should arrange appropriate training facilities to their staff to be always helpful, courteous and knowledgeable.

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## Chapter 3: PROJECT

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### Summary

Customer satisfaction is the fact where an organization can access to where customer is looking for and where they are satisfied. They can make feel them more pleasant in those areas where they find satisfaction.

In this report to find satisfaction level, select key facts where we can find customer satisfaction level of Al-Arafah Islami Bank Limited. We choose credibility of bank, behavior of employee's to know of outlook impact Bank in the sight of customer mind. On the other hand, for the day to day fact which customers face due to deal with banks, like network efficiency, technological excellence, waiting time to get service are the key criteria. On the basis of that, we go through to reach to find out customer satisfaction level of Al-Arafah Islami Bank Limited.

Here, it also necessary to know about brand image of Al-Arafah Islami Bank Limited. It needs to whether customers are related credibility of the bank with other facts or not.

## **Objectives of the Report**

The report covers broad and specific objectives.

### **Broad objective**

The main objective of my report is to find the level of customer satisfaction of – AL-Arafah Islami Bank, klilkhet branch.

### **Specific objectives**

Other the broad objectivities, report has some specific objectivities too which are-

- ✓ To identify the relationship between employees and customers of AIBL khilkhet branch
- ✓ Is the environment of AIBL is friendly with its customers or not
- ✓ Are the customers satisfied with chequebook and ATM card and SME facilities
- ✓ The loan facilities of AIBL is satisfactory or not
- ✓ According to age and gender does customer satisfaction level varies

## **Methodology**

The methodology is the strongest part of any research in which the research process and design is explained from top to bottom. The process through which the research will be conducted is explained in deeper detail from research type to fieldwork or data analysis. To get an error free and effective research result, it is compulsory to design the methods of doing research properly. The methodology contains several steps which are needed to be followed strictly by the researcher and I tried my level best to do so.

### **Sources of data**

I collected data from two main sources.

#### **1. Primary data sources-**

- Survey questionnaire
- Face to face conversation with the customers
- Face to face conversions with branch officers and colleagues

#### **2. Secondary data sources-**

- Annual report
- Online articles
- Web information
- Different books
- Previous research

## **Data collection medium and procedure**

First of all I made a set of 10 questions on customer satisfaction level of AIBL khilkhet branch and made a survey on 50 customers. I tried to collect data from customers of different ages and occupations so that I can measure the best possible result for my survey. I gave more importance on primary data rather than secondary data because on primary survey I got to know the direct reflections of the customers.

After executing the survey I got some strong points which I am going to explain on my report paper.

## **Limitations**

- The first limitation of the study is the time constraint: the duration of the report was very short
- The survey process is lengthy.
- Sometimes the customers do not want to cooperate.
- The officers of the bank are busy to provide information.
- Some demographic information might have been given false.

## Analysis

Customer is the most important part of any organization and customer satisfaction is the only thing to get more customers, to make more profit. Bank is a service organization, so satisfying customers is must here. AIBL always tried to provide better services to its customers. But it is not possible to satisfy the entire customer. If AIBL provide best services to its customer, there will be some people who will not satisfied at all. Customer satisfaction level can be changed day by day. To run business successfully, every organization must measure its customer's satisfaction level. In AIBL I meet many customers, some of them are satisfied with AIBL at the same time some are dissatisfied. Same facilities can not satisfy the entire customer at the same time. It varies from customer to customer because of age, profession, sex, culture.

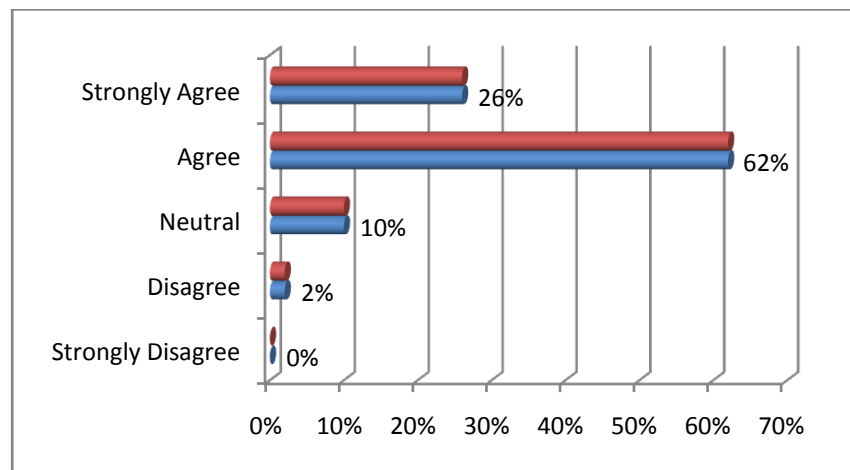
Banking is a service oriented business. They are providing service to attract the customer. They are the key element of business. So Banks are mostly emphasizing on providing better and quality service to the customer. They should more concern about what type of service they are providing. Now in the market there are tough competitions among banks. Here we have taken information from the general customer of the bank who has taken service from the bank at different times. So we have taken the information from 50 general people who have divided bank's service quality into some criteria such as strongly disagree, disagree, neutral, agree and strongly agree.

## Findings:

### Behavior of the staff and employees

Good and friendly behavior is important for any bank. The staffs and employees should act politely with the customers. AIBL always try to motivate their customers. They provide more privileges to the customers then other banks. Here I tried to find out the satisfaction level of their customers regarding the behavior of the staff and the employees.

Responses	Frequency	Percentage
Strongly Disagree	0	0%
Disagree	1	2%
Neutral	5	10%
Agree	31	62%
Strongly Agree	13	26%



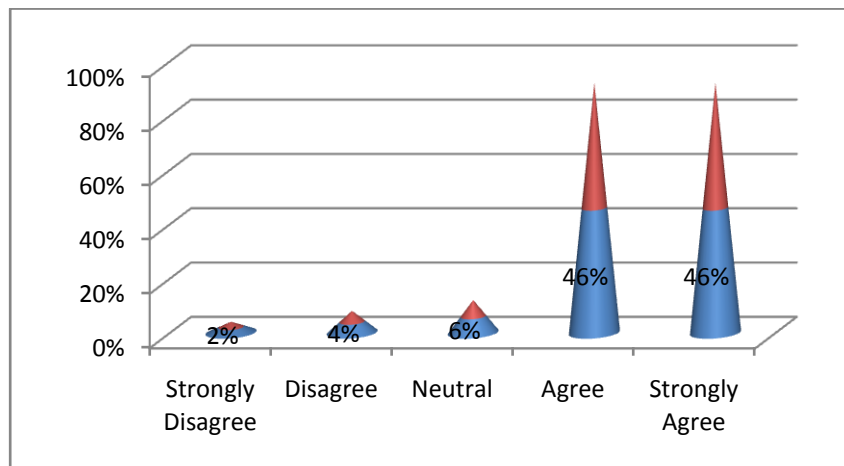
Above statistics shows that 26% of the total customers of AIBL are fully satisfied and 62% are satisfied with the behavior of the staffs and the employees of AIBL Khilkhet branch. Only 2% customers think that they are not satisfied with the behavior of the employees. So we can assume that the employees of AIBL are satisfying their customer with their behavior.



### Confidence and trust on the officers

It is vastly needed for any bank to grow the trust of their customers. Clients deposit money on the bank because they trust them. If the officers are not able to gain the trust of the client then customers will be demotivated and will think to switch the bank. So the officers should follow such guidelines so that the customers trust them.

Response	Frequency	Percentage
Strongly Disagree	1	2%
Disagree	2	4%
Neutral	3	6%
Agree	23	46%
Strongly Agree	21	42%

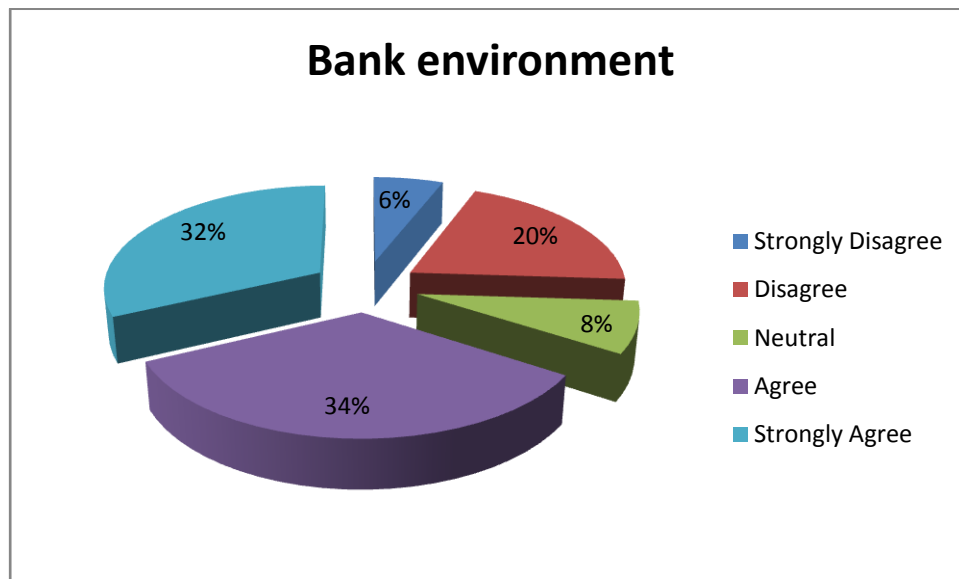


The officers of Al-Arafah Islami Bank Khilkhet branch are able to gain the trust of their customers. The majority of customers of this bank agree that the officers are loyal and they had confidence and trust over the officers of AIBL

## Bank environment

First impression plays a vital role. When a customer visits any bank for the first time, he takes a view of the total environment of the bank. Are the bank is well organized or not, are there enough staffs or not. Is it so noisy or not. A bank should be well organized with sufficient space.

Response	Frequency	Percentage
Strongly Disagree	3	6%
Disagree	10	20%
Neutral	4	8%
Agree	17	34%
Strongly Agree	16	32%

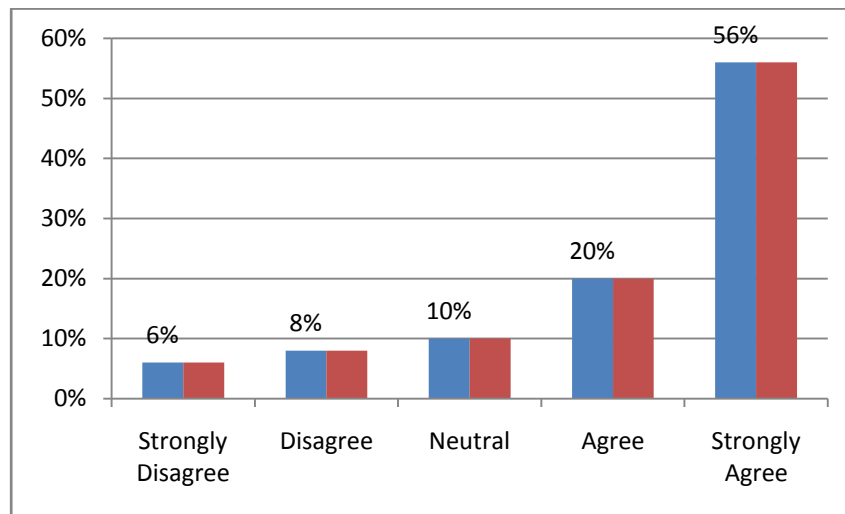


Here I found that 32% customers of AIBL are fully pleased with the bank environment, 34% customers are satisfied and less than 30% customers think the environment of this bank is not well organized comparing other banks. The bank has enough space and it is well organized.

### Update of account information

Every account holders have the right to know the updates of their accounts. All customers should provide information about when the charge will be applied and why charge will be added. It will reduce the confusion. It is the primary duty of any bank to keep their customers updated about their accounts.

Response	Frequency	Percentage
Strongly Disagree	3	6%
Disagree	4	8%
Neutral	5	10%
Agree	10	20%
Strongly Agree	28	56%

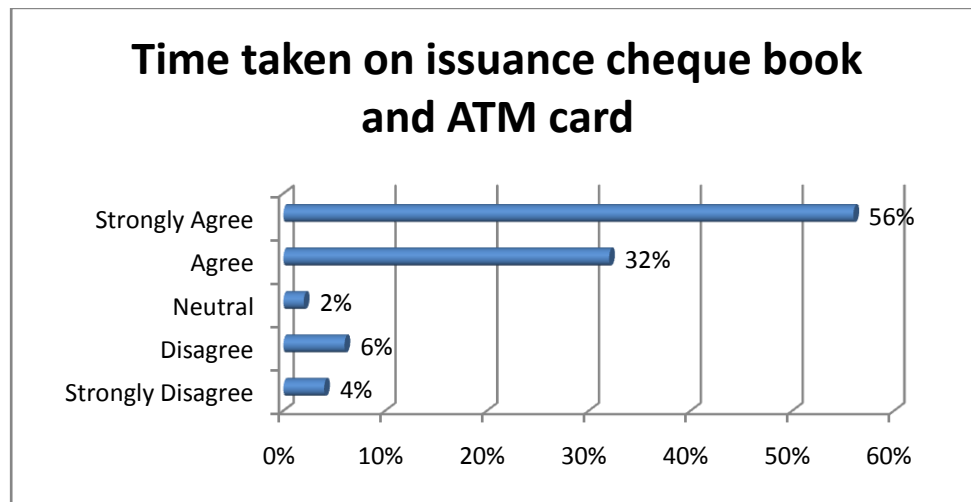


My statistics shows that 56% customers of AIBL khilkhet branch are aware of their account information, 20% customers agree they got information and 10% customers are neutral. Only 14% customers say they don't get sufficient information about their accounts.

### Time taken to issuance cheque book and ATM card

Time is one of the most important elements of customer. They don't want to compromise with the time. They want best service within short period of time. In that case, to issue cheque and debit card, they want fast service. So by the analysis, my aim objective is to find out the level of customer satisfaction about Time taken to issuance cheque book and ATM card.

Response	Frequency	Percentage
Strongly Disagree	2	4%
Disagree	3	6%
Neutral	1	2%
Agree	16	32%
Strongly Agree	28	56%

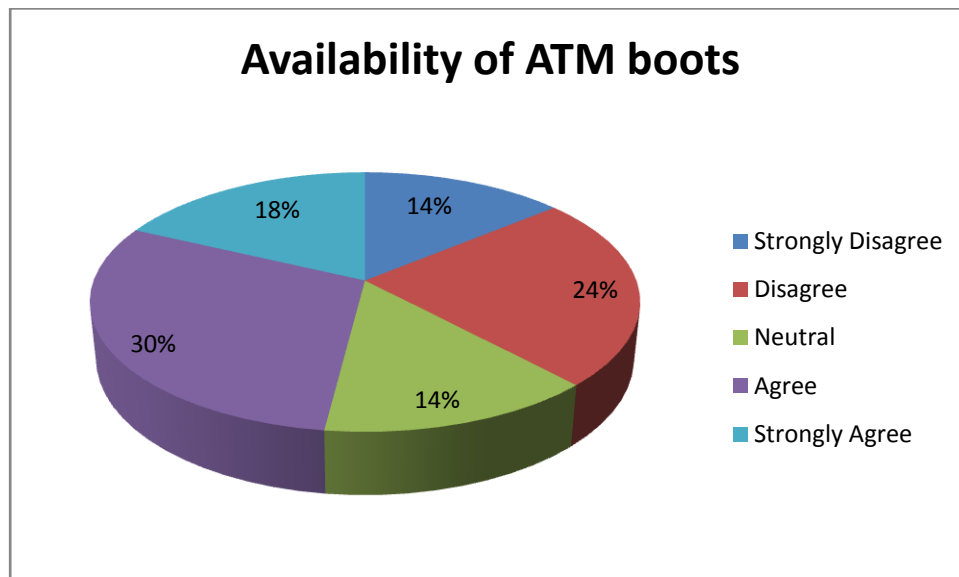


The above figure shows 56% of the total customer are said AIBL's Cheque Book and ATM card Issuance procedure are excellent that is they are fully satisfied regarding the Cheque Book and ATM card issuing procedure of Arafah Islami Bank, klilkhet branch, 32% agree, 2% neutral and only 10% are not satisfied. Therefore, in general it can be said that customers are satisfied regarding Cheque Book and ATM card Issuance procedure of Arafah Islami Bank, klilkhet branch.

### Availability of ATM boots

There should be sufficient numbers of ATM boots so that the customers can access them friendly. It will consider both money and time of the customers. If any bank can serve available ATM boots it can satisfy their customers.

Response	Frequency	Percentage
Strongly Disagree	7	14%
Disagree	12	24%
Neutral	7	14%
Agree	15	30%
Strongly Agree	9	18%

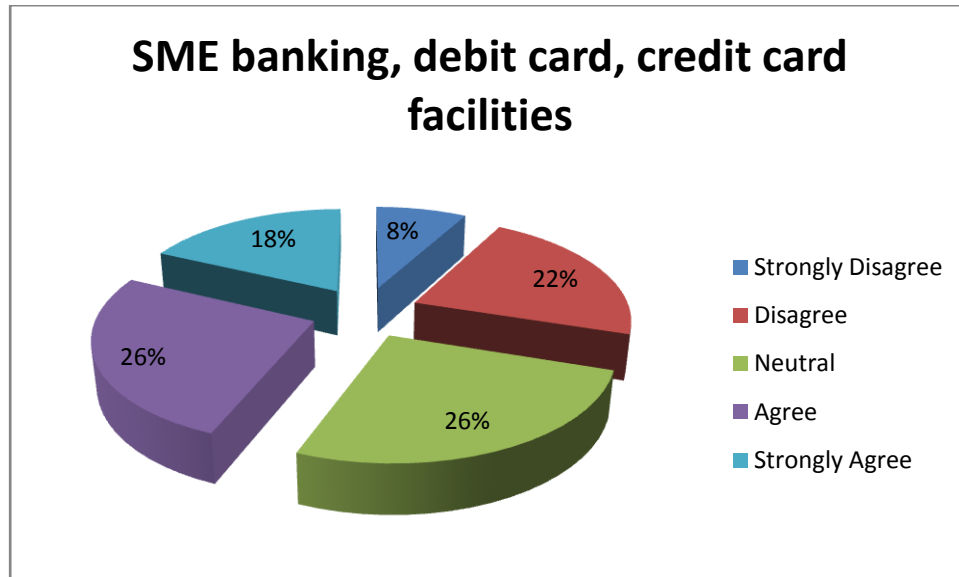


Here the statistics shows that only 18% customers are strongly satisfied and only 30% customer are satisfied with the availability of ATM boots of AIBL. So comparing to the other segment we can say that customers didn't find proper service from it. So here the satisfaction level is quiet low.

### SME banking, debit card, credit card facilities

In present days SME banking, debit card and credit facilities plays a vital role in banking sector. To satisfy customers properly those facilities should be provided.

Response	Frequency	Percentage
Strongly Disagree	4	8%
Disagree	11	22%
Neutral	13	26%
Agree	13	26%
Strongly Agree	9	18%

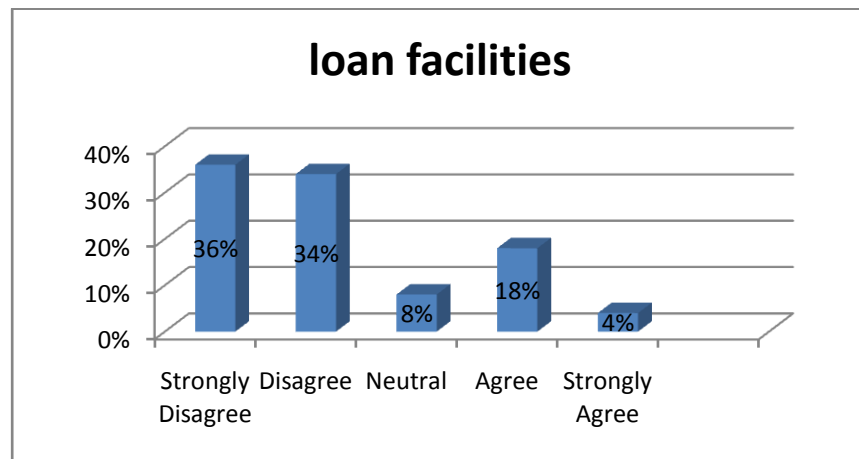


Here the percentage shows that 18% customers strongly agree and 26% customers agree AIBL's AME banking, debit card and credit card facility is satisfactory. 26% customers are neutral, and 30% customers are not satisfied. So here AIBL should work more.

## Loan facility

AL-Arafah Islami Bank provides loan facility to customer. In klilkhet branch, there are some customers who take loan in a regular basis. They are satisfied with the service of AL-Arafah Islamic Bank limited Khilkheth branch. So here we will find out how much customer is satisfy with the loan facilities.

Response	Frequency	Percentage
Strongly Disagree	18	36%
Disagree	17	34%
Neutral	4	8%
Agree	9	18%
Strongly Agree	2	4%

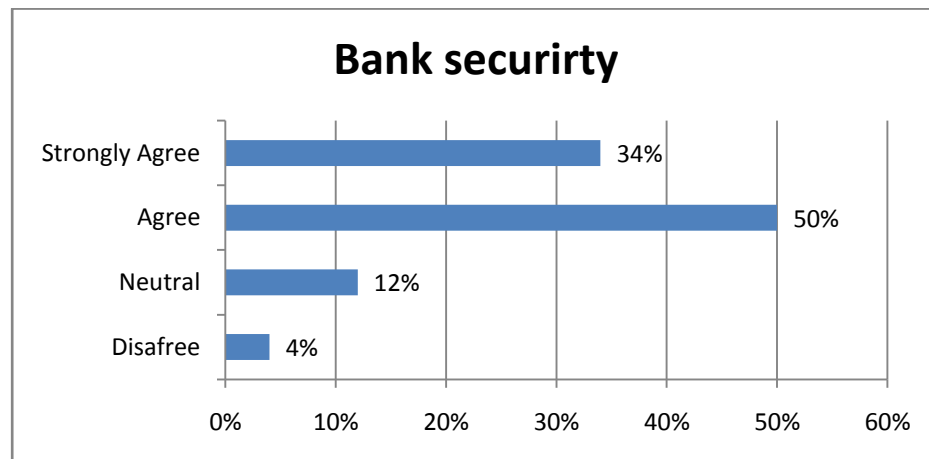


The above figure shows that 70% customers are not satisfied with the process of loan facility. Only 22% customers are satisfied with loan facilities.

## Bank security

It is the most important part for any bank. People invest on bank for security. It is the primary duty of any bank to provide security and privacy. If any bank fails to provide security it will fail to motivate their customers. So here I tried to find out does AIBL is capable enough to provide security to its customers or not.

Response	Frequency	Percentage
Strongly Disagree	0	0%
Disagree	2	4%
Neutral	6	12%
Agree	25	50%
Strongly Agree	17	34%



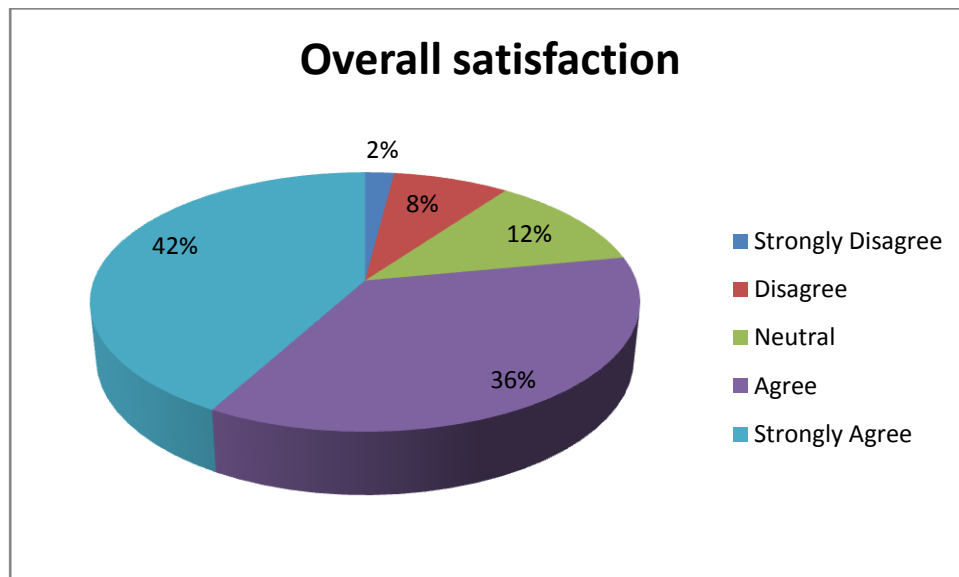
34% customers are fully satisfied with the security system of AIBL, 50% are satisfied, 12% neutral and only 4% of total customer are not satisfied with the security system of AIBL. So here AIBL is also able to satisfy their customers.



## Overall satisfaction

Here I tried to find out the overall satisfaction of customers. This was the most important question of my survey report. The people, who are dealing with AIBL, are they satisfied or not.

Response	Frequency	Percentage
Strongly Disagree	1	2%
Disagree	4	8%
Neutral	6	12%
Agree	18	36%
Strongly Agree	21	42%



Here majority of the customers are overall satisfied with banking system of Al-Arafah Islamic Bank. The statistics shows that 42% are fully satisfied and 36 % are satisfied. Only 105 customers are not satisfied. So it shows that majority of customers are satisfied.

Excepting some of the parts AIBL is effusive able to satisfy its customers. They are providing a better bank environment with friendly employees. Customers are getting loans easily. They provide SME banking, debit card and credit card facilities. So, the customers of AL- Arafah Islamis Bank, Khilkhet branch are satisfied.

## **Conclusion**

Success in the banking business largely depends on effective lending. Less the amount of loan losses, the more the income will be from lending operations. The more the income from lending operations the more will be the profit of the bank.

Overall of my investigation I can say that Products and services are satisfactory and continuously meet the challenges of developing new products and services to match the specific requirements of customers.

Over the years AL-Arafah Islamic Bank had shown commendable improvement. But as discussed earlier, the world will not compromise for AIBL, for that matter, neither local competitors nor the multinational ones. In this era, when only the fittest survives, AIBL wrap a long yard behind from that fitness. This is the crucial time for AIBL to consolidate the success they have achieved, and go on with its mission. Otherwise ‘A Bank with Vision’ will only be an illusion to them.

## **Appendix**

Age	<input type="checkbox"/> 18-25 <input type="checkbox"/> 26-33 <input type="checkbox"/> 34-50 <input type="checkbox"/> 51-above	Gender <input type="checkbox"/> Male <input type="checkbox"/> Female
Profession	<input type="checkbox"/> Business <input type="checkbox"/> Service holder <input type="checkbox"/> Student <input type="checkbox"/> Others	

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1. Are the staff and employees of the bank helpful?					
2. Do you have confidence and trust on the officers at customer service?					
3. Is the bank environment peaceful and comfortable?					
4. Do you get enough information about your account regularly?					
5. Your chequebook and ATM card was delivered on time.					
6. Does AIBL provides enough ATM boots?					
7. Are you satisfied with SME banking, debit card, credit card facilities?					
8. AIBL approves loans easily.					
9. Bank security is satisfactory.					
10. Overall, are you satisfied with the service you received?					