

**“SECURITY MEASURES OF BANKING ACTIVITIES”**

A case study on The City Bank limited



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*Letter of Transmittal*

27<sup>th</sup> August 2015

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**Subject: Submitting an Internship report on Security measures of Banking Activates, a case study on The City Bank Ltd.**

Dear Madam

I would like to thank you for giving me the opportunity of doing this project on this subject to prepare the Report. This task has been given me the opportunity to explore one of the most important aspect of The City Bank Ltd which is known as “Security measures of The City Bank Ltd”.

The report is contains a comprehensive study on various security issue (not financial security) regarding banking activates aspects of The City Bank Ltd. It was an immense pleasure for me to have the opportunity to work on the above-mentioned subject. I have delivered my best to come out with a good one. Please feel free to contact me if you have any queries. Would you please kindly accept my report and oblige me thereby.

Thank you.

Sincerely,  
Mohammad Shirajul Islam

### *Acknowledgement*

Through this project I have gathered vast experience and knowledge which is very remarkable from the last three months while preparing for this report. First and foremost, I would like to give my all gratitude to the almighty Allah for giving me the ability to work hard. The report titled, as “Security measures of banking activities case study on The City Bank Limited”- has been prepared to fulfill the requirements of MBA degree. I am very much fortunate that I have received almost all sincere guidance, supervision and co-operation from various persons while compiling this report. Many people have helped unconditionally in making this report.

First of all, I would like to thank my academic Supervisor of the internship report Nusrat Hafiz Madam, Lecturer of BRAC Business School, for giving me the opportunity to prepare this report & effortful supervision. She also provided me some important advice and guidance for preparing this report. Without her help this report could not have been a comprehensive one.

Secondly, I am indebted to thank all the employees of “The City Bank Limited. Specially my line manager Capt. Alauddin Al Azad (Retd.) (Head of Security and Protocol), Cpt. Nayeem Hasan (Retd) (Senior Manager of Security Operation) who helped me and given me their valuable time in providing the information and sources of that information of this report.

Moreover I am thankful to other resource persons, Mr. Tanver Hasan (Senior Manager Security Operation), and Mr. Azim Anwarul (Officer Access Control)

I am also showing my gratitude to all those people who have at least minimum effort and contribution to complete report. I feel so much lucky to get their co-operation.

### *Declaration of Student*

This is to notify that this report “Security measures of Banking Activities, A Case Study on The City Bank Limited” has been prepared as a part of my internship formalities. It is an obligatory part for our MBA Program to submit an internship report. Moreover, I was inspired and instructed by my supervisor Nusrat Hafiz Lecture of BRAC Business School, BRAC University.

.....

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## **Executive Summary**

This report contains all about the security measures of banking activities and a comprehensive case study on The City Bank Limited. To be clear this report is not about the credit risk security or any other financial security instruments, it's all about security operations which is actually a general part of our daily life. Security is now a very challenging issue for banking activities. Operating a bank in a country like Bangladesh, security is very vulnerable. Daily news published every day, thousands of security matters affect our business and society. So as an officer of a bank here I try to cover up some security measures that can help to understand all the general people what we are committed to them for securing all those capitals they invested in our bank or deposit in our bank. Now a brief history of The City Bank Limited, CBL, founded in 1983 by the all rules and regulation of company act 1912 amendment on 1994 along with Bangladesh Bank BRPD (Banking Regulation and Policy Department) policies. In the early age CBL was controlled by the Phoenix Group Bangladesh, later on Partex BD took over the control in 2007. From that time CBL has changed its own operation. From 2007 CBL advancement was started with new Managing Director Mr. K. M. Sattar and his newly created management committee. And then with all others CBL common service division was upgraded to general admin division for support all other divisions and departments, but in the few years MANCOM has decided to fully furnish the general admin with global standard security systems and advanced administration policies. Now today CBL GAD security team has its own identity and is a totally separate department headed by 4 retired army persons. Team leader is a Senior Vice President who reports to DMD directly. By his leading there are 12 officers and 3 managers working together as a security team, committed to provide world class security to the clients and banks on behalf of all the CBL board members and management committee. This report is based on all the security aspects regarding The City Bank Limited in the context of Bangladesh. Although it is a very vulnerable issue to prepare such a report on this topic as for an internship. So with that restriction the main idea is to inform the general people what the story has been played for a security team for a bank 365 days in a year.

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# **PART A**



# **CHAPTER 1: INTRODUCTION**

## **1.1 Background**

As a financial institution, Banks are highly secure in general. In our daily banking activities administration people are committed to provide every kind of security matter from employee to customer satisfaction. There are so many security compliances from Bangladesh Bank under the act of financial institution and general banking. In each and every activities of commercial Banks Bangladesh Bank has impose various guide line and checked those compliance in a systematic way by the audit committee monitoring. As this conscience CBL General Admin Division provided all the support to the concern department and all the CBL branches not only in Bangladesh also all over the world. CBL is fully automated and centralized bank, as a result head office needs to work 24 hours in a day and 30 days in a month. For monitoring all the security issues and providing support here in CBL a special control room fully operational 24hours in a day with 4 security supervisors and 12 securities personal. Behind the scene there are lot of automated software also in operation for smooth and fast support. From the control room CBL administration can monitored each and every branch from Syedpur, Nilfapmarti to Cox Bazar, Chittagong along with 5 different back offices include the CBL city center and also 300+ ATM booths. All this accumulated by CBL IT which is major concern of security of CBL, and the second priority is ADC (Alternative Delivery Channel), ADC is specialized in various banking activities for the entire baking support that's why we call it banking backbone, so generally it's very important security issue for GAD. And the third priority is the CARD Division.

## **1.2 Objective**

As an officer of CBL and doing internship it's really great experience, I chose this topic because here I engaged with this type of work and what I am seeing here is actually outstanding. Therefore my reason is growing up to prepare a project on it. And also informing to others that when a person enters in the premises and leave from that premises how he or she been monitored every moment.

## **1.3 Methodology**

Methodology is the systematic, theoretical analysis of the methods applied to a field of any study. It comprises the theoretical analysis of the body of methods and principles associated with a branch of knowledge. Typically, it encompasses concepts such as paradigm, theoretical model, phases and quantitative or qualitative techniques. Here methodology is applied full systematically.

### ***A. Primary Data Collection:***

- Interviews with departmental head.
- Departmental surveys.
- Observation.
- On the job trainings.
- Practical working experiences.

### ***B. Secondary Data Collection:***

- Bangladesh Bank's Security Guidelines.
- Annual Report of the City Bank Limited.
- Government General Security policies.
- World Bank's Security publication.
- News articles of Security issues.

- Website of The City Bank Limited.
- Different text books.

#### **1.4 Limitation**

- Security issues are highly restricted.
- Need more time for this kind of case study.
- Security policies are huge and complex to understand.
- Lot of issue are not disclose in this report.
- Only for internship program authority restricted some issues.
- Lack of information provided by government.
- Lack of news or relative publications.
- Not adequate face to face interview was taken.
- Old law and implementation.
- Need more time for compliance analysis.
- Very few articles available in our country.

## **CHAPTER 2: THE ORGANIZATION**

## **2.1 Introduction**

City Bank is one of the most established private Commercial Banks working in Bangladesh. It is a top bank among the oldest five Commercial Banks in the country which began their operations in 1983. CBL started their journey on 27th March 1983 through opening its first branch at B. B. Avenue Branch in the capital, Dhaka city. It was the visionary enterprise of around 13 local businessmen who overcame the immense instabilities and risks with courage and enthusiasm that made the foundation & forward walk of the bank conceivable. Those patron chiefs started the excursion with just Taka 3.4 crore worth of Capital, which now is a respectable Taka 2311.78 crore as capital & reserve. City Bank is among the very few local banks which do not follow the traditional, decentralized, geographically managed, branch based business or profit model. Instead the bank manages its business and operation vertically from the head office through 5 distinct Units namely

- A. Business Unit**
- B. Branch Banking**
- C. Risk Unit**
- D. Operations Unit**
- E. Support**

Under a real-time online banking platform, these 5 distinct Units are supported at the back by a robust service delivery or operations setup and also a smart IT Backbone. Such centralized business segment based business & operating model ensure specialized treatment and services to the bank's different customer segments.

The bank currently has total 112 branches which includes 99 online branches, 1 full-fledged Islamic Banking branch, 1 SME service center and 11 SME/Agri branches spread across the length & breadth of the country. Besides these traditional delivery points, the bank is also very active in the alternative delivery area. It currently has 253 ATMs of its own; and ATM sharing arrangement with partner banks that has more than 1150 ATMs in place; SMS Banking; Interest Banking and so on. It already started its Customer Call Center operation

## 2.2 History

CBL founded in 1983, as a first generation private commercial banks in this country and is the best bank doing so as to regard receiving worldwide best practices away with age-old customary decentralized banking model. Beforehand it used to take after customary and conventional banking techniques however the bank has experienced huge rebuilding in 2007 and has actualized brought together plan of action with the new management group assuming control under the administration of its new CEO Mr. Mahmood Sattar, serving various customers through 4 particular business divisions to be specific Corporate & Investment Banking, Retail Banking (incorporates Cards), SME Banking and Treasury and Market Risks. The center of the "transformation" undertaking was likewise on enhancing the general nature of benefits; re-propelling the brand anew; utilizing the innovation potential; enhancing the nature of item offerings and putting much higher benchmarks for client administration. He led a few imaginative activities to transform the bank into a cutting edge budgetary grocery store utilizing the most recent innovations. City Bank is an ongoing online bank having 90 online branches, 11 SME/agribusiness branches, more than 150 ATM and 12 money store machines spread the nation over that incorporates an undeniable Islamic Banking branch under the brand name 'City Manarah'. In 2009, as a team with American Express, it has propelled the prestigious American Express Credit Card in Bangladesh and is the sole overseer of the brand sitting above every single local operation.

City Bank is also the first commercial bank in Bangladesh to have issued Dual Currency Credit Card, holding a principal membership of VISA and Master Card franchises. Recently CBL has been named as 'Best Bank in Bangladesh for 2012' by FinanceAsia for adopting global best practices by doing away with age-old traditional decentralized banking model and culture. This is the first year of FinanceAsia's extending the award into local bank category in Bangladesh. Besides winning this prestigious award, CBL also received "The Strongest Bank in Bangladesh award" in 2010 from The Asian Banker, "American Express Marketing Award" for Outstanding New Card launch in 2010 from American Express, "MoneyGram International's Best Corridor Collaboration – South Asia in 2011" in recognition of its inward remittance growth and the ISO 9001:2008 certification from Moody International, for its entire back end and technology operations.

Recently the Bank became an IFC (International Finance Corporation) client, the 4<sup>th</sup> such bank in the entire industry in the country, after going through demanding checks and due diligence undertaken by IFC. CBL brand is already recognized as the "most reputed transforming institution in the country" and now it is composed to become the "Most Reputed Financial Institution Brand" soon. The Bank have launch Priority Banking services for high net worth individuals in 2013. This year will see the launches of Mobile Banking for unbanked people, Platinum Amex card for the top end of the market, the country's first Business-to-Business (B2B) card and so on. Currently a comprehensive business process reengineering (BPR) is also underway under the consultancy of PWC, India, which is likely to result in a complete overhaul of the Bank's operational processes and practices.

## **2.3 Product and Services**

As it is a Bank the products are embedded with all the services,

### **A. Credit Cards**

- American Express: From 2010 CBL has franchise the AMEX into the Bangladesh through 3 categories and also available in dual currency mode.
  - I. Silver
  - II. Gold
  - III. Platinum
- VISA: An international and it issues in both Local Currency (Taka) & Foreign Currency (US Dollar) in 2 categories and also available in dual currency mode,
  - I. Silver
  - II. Gold



## **B. Debit Cards or ATM Cards**

- Master Card: CBL issued the master card as default card for any account holder, so there for it has no specific categories as compare to credit cards.
- VISA Electron: This is also others debit card issued by the CBL with some special privileges. Recently this VISA electron restricted by CBL.

## **C. Special Cards**

- City Maxx American Express Card: It's a totally a specialized card which can be use as American Express but as debit card system.

## **D. Retail Banking Service**

- All the general banking services, like Bank Accounts, Student Accounts etc.
- Various type of Schemes are also offered by retail baking, like Deposits, Savings, RMG Accounts etc.
- Various type of Loans, like Consumer loan, Education loan, Heath Loan etc.

## **E. SME Banking Service**

CBL have wide range of SME banking services through 3 individual wings

- Medium Segment SME Service.
- Small Segment SME Service.
- Agro SME Service.

## **F. Wholesale Banking Service**

CBL also offered wide range of services under the wholesale banking service, those are define as,

- Lon term Finance

- Midterm Finance
- Structured Finance
- Cash Management
- Project Management

Despite all those services there are a lot of services also offered by CBL which can be listed as below

- Priority Banking Service
- Corporate Banking Services
- City Touch (Advanced Internet Banking)
- Trade Services (Foreign and Local)

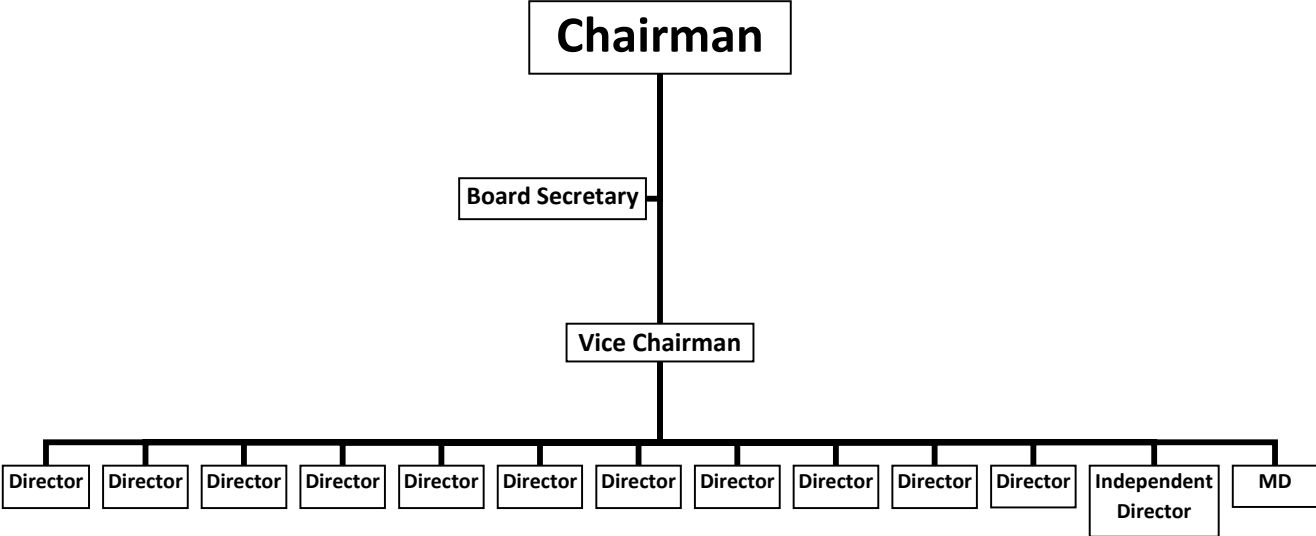
### **CBL Subsidiaries**

The City Bank Limited has two different individual business organizations, those are

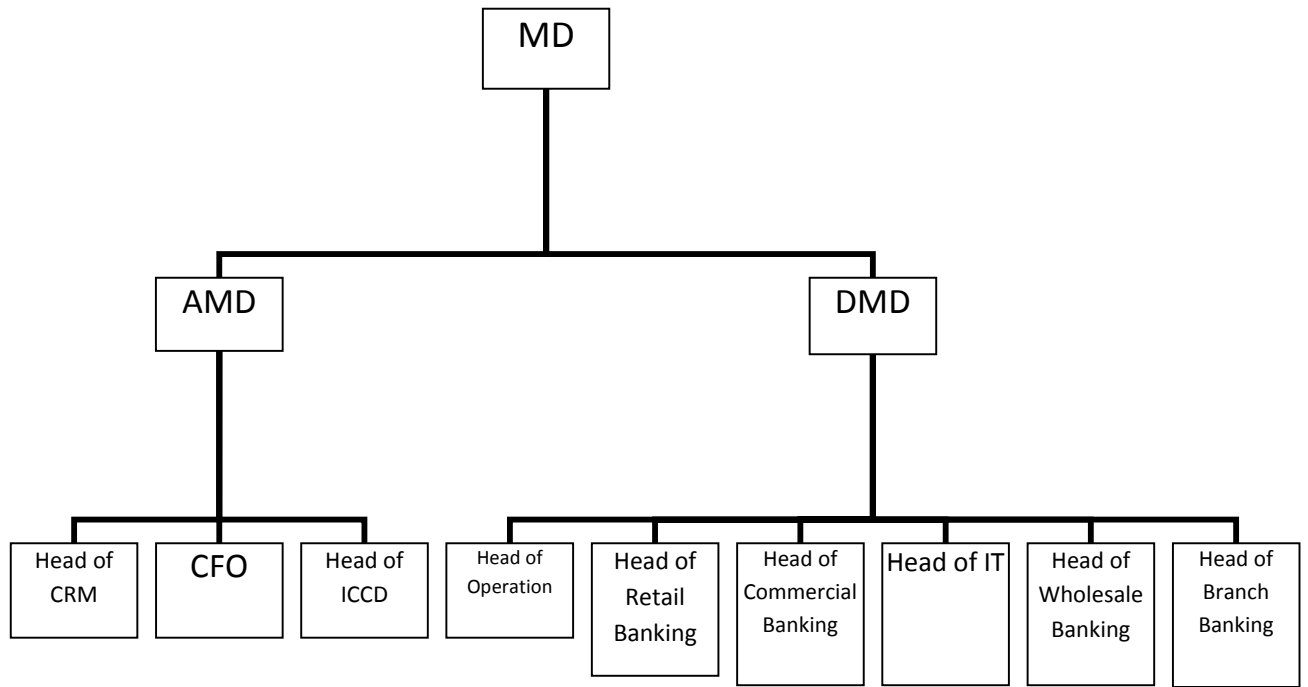
1. City Capital Resource
2. City Brokerage

**2.4 Organization organogram**

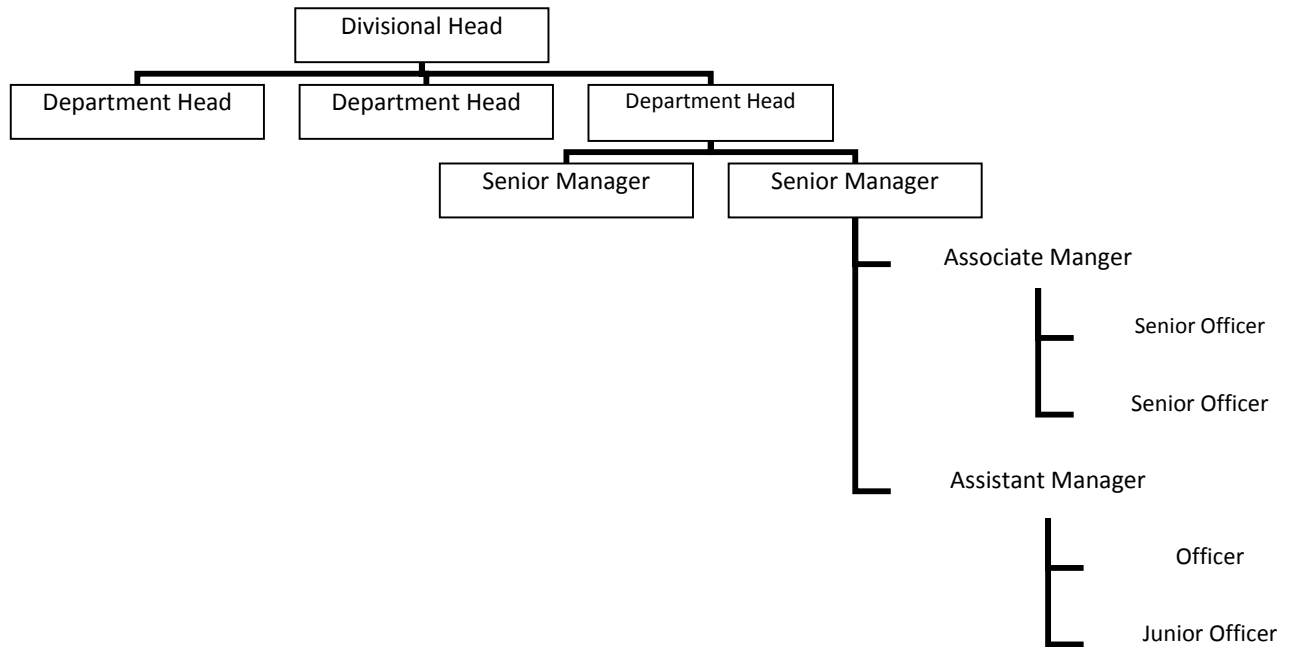
**A. Board Of Director's**



**B. Management Committee**



**C. Division / Departmental**



## **2.5 Vision**

The Financial Supermarket with a Winning Culture Offering Enjoyable Experiences

## **2.6 Missions**

- Offer wide array of products and services that differentiate and excite all customer segments
- Be the “Employer of choice” by offering an environment where people excel and leaders are created
- Continuously challenge processes and platforms to enhance effectiveness and efficiency
- Promote innovation and automation with a view to guaranteeing and enhancing excellence in service
- Ensure respect for community, good governance and compliance in everything we do

## **2.7 Values**

- Result Driven
- Accountable & Transparent
- Courageous & Respectful
- Engaged & Inspired
- Focused on Customer Delight

# **CHAPTER 3: JOB RESPONSIBILITIES &** **OBSERVATIONS**

### **3.1 Job (Security & Protocol Officer)**

I am assigning as a full time officer in The City Bank Limited General Admin Division which is located in the 3<sup>rd</sup> floor of City Centre, No.2 Gulshan. From the past 2 years I have been working here and posted to Motijheel admin division of the bank. With more than the two millions customers and around three thousand employees are engaged in daily banking hours. So it's not waiting to say how difficult maintain job role every day from 10am to 6pm. In addition as a security officer the job getting tougher every day.

### **3.2 Nature of Job and my responsibilities**

As a security officer currently I'm fully engaged to monitoring and controlling of whole City Bank document dispatching all over the country including all over the world, It has huge work load, for that management created a special team and heading by a senior assistance vice president to smoothly run this daily operation for dispatching over two thousand documents and other security items are delivering to the its destination.

#### **3.2.1 Core Responsibilities**

##### **A. Maintain the Inward and outward register data base.**

1. Outward data base entries, monitoring, cross checking.
2. Foreign document data base entries, monitoring.

##### **B. Complain management**

1. Complain monitoring and solving.
3. Mail corresponding.

##### **C. Monitoring and Reporting**

1. Monitoring all of coworker's activities.
2. Daily report of coworkers.
3. Monitoring all courier service providers.



#### **D. Special Consignments**

1. Bangladesh Bank delegation.
2. Director's delegation.
3. Various fraud verifications.

#### **E. Billing**

1. Bill verification.
2. Bill processing.
3. Bill clearing and preservation.

#### **3.2.2 Additional Responsibilities**

- A. Stock Maintenance
- B. Preservations
- C. Leave management of coworkers
- D. Packaging, delivering and printing
- E. Monitoring office decorum
- F. Any security issue
- G. Special departmental instructions
- H. Safety issue
- I. Emergency evacuation
- J. Protocol

### 3.3 Observation

Working at the City Bank Limited is great experience. Employees here are assiduous and talented. I have learned many things from here that is really very worthy to me. There are some experiences which I must to share with all,

- Work environment is very friendly and employees are co-operative.
- Employees are active and attentive in their assigned job responsibilities.
- Each employee in the department is directly monitored by Department head in head office and in branch by a branch operation manager, so the direction and outcomes are really up to the mark.
- Though Saturday is a day off, the office is open sometimes to manage extra pressure.
- Working time is start rom 10AM and end at 6PM. Employees have to stay longer than that to accomplish their assigned works.
- Well Decorated, and full time logistic support.
- Personal desk, communications.
- All HR activities are online bashed, if anyone want to take any leave he/she just need to logon and apply the leave over online.
- Each employee needs to done his/her own assigned or works; according to the tasks given by HR, monitoring by department head and reporting to line manager (Supervisor). The works are done. Employees' cluster works altogether becomes a successful overview of team effort.
- People out there in the city bank really very helpful.

## **PART B: CASE STUDY**

# **CHAPTER 1: SECURITY MEASURES OF** **BANKING ACTIVITIES**

## **1.1 IT Security and Policies**

CBL administration division all the time engaged to IT division for full security support. CBL is fully automated bank therefore admin almost 60% resource use to cover every IT security policy given by the Bangladesh Bank, Here the some policies regarding to IT security and policies are given as it is from Bangladesh bank guidelines.

The banking industry has changed the way they provide services to their customers and process information in recent years. Information and Communication Technology (ICT) has brought about this momentous transformation. Security of Information for a financial institution has therefore gained much importance, and it is vital for us to ensure that the risks are properly identified and managed. Moreover, information and information technology systems are essential

assets for the banks as well as for their customers and stake- holders. Information assets are

critical to the services provided by the banks to their customers. Protection and maintenance of these assets are critical to the organizations' sustainability. Banks must take the responsibility of protecting the information from unauthorized access, modification, disclosure and destruction.

Bangladesh Bank has impose a Guideline for ICT Security for banks & FIs to be used as a minimum requirement and as appropriate to the level of computerization of their operations.

## **1.2 Categorization of banks/branches/units depending on ICT Operation**

The locations for which the ICT Security Guideline is applicable i.e., the Head Office, Zonal Office, Branch and/or Booth/Unit of a bank or FI may be categorized into three tiers depending on their ICT setup and operational environment/procedures as:

**Tier-1:** Centralized ICT Operation through Data Center (DC) including Disaster Recovery Site

(DRS) to which all other offices, branches and booths are connected through WAN with 24x7 hours attended operation.

**Tier-2:** Head Office, Zonal Office, Branch or booth having Server to which all or a part of the

computers of that locations are connected through LAN.

**Tier-3:** Head Office, Zonal Office, Branch or booth having standalone computer(s).

### **ICT Security Policy**

Every bank having Information systems must have an 'ICT Security Policy' which must be fully complied with this ICT Security Guideline and be approved by the board of the bank. For foreign banks, the documents must also be in conformity with their global policy documents.

### **Physical Security for Tier-1**

## **Data Center Access**

- Physical security shall be applied to the information processing area or Data Center.
- Data Center must be a restricted area and unauthorized access shall be prohibited.
- Entrance into the Data Center shall be restricted.
- Access authorization procedures shall exist and be applied to all persons (e.g. employees and vendors). Unauthorized individuals and cleaning crews must be escorted during their stay in the Data Center.
- Access authorization list shall be maintained and reviewed periodically for the authorized person to access the Data Center.
- Access log with date, time and purpose shall be maintained for the vendors, service providers and visitors entered into the Data Center.
- Security guard shall be available for 24 hours.
- Emergency exit door shall be available.

## **Physical Security for Tier-2**

### **Server Room Access**

- Server room must have a glass enclosure with lock and key with a responsible person of the Branch.
- Physical access shall be restricted, visitors log must exist and to be maintained for server room.

- Access authorization list must be maintained and reviewed on regular basis.

### **Physical Security for Tier-3**

#### **Computer Room Access**

- The PC running the branch banking software must be placed in a secured area and held by a responsible person in the Branch.
- Access authorization list must be maintained and reviewed on a regular basis.



## **2.1 Credit Card Operations**

### **❖ Credit Card:**

The term “Credit Card” generally means a plastic card issued by Scheduled Commercial Banks (SCBs) assigned to a Cardholder, with a credit limit, that can be used to purchase goods and services on credit or obtain cash advances.

For issuing Credit Card prior approval of BB is not necessary. With the approval of their Board of Directors banks can issue credit cards.

### **❖ Billing Process:**

These processes are specified by the Bangladesh Bank, Bank providing the payment card services must comply with the industry security standards, e.g.- Payment Card Industry Data

Security Standard (PCI DSS) to ensure the security of cardholder's data. The PCI DSS includes following requirements for security management, policies, procedures, network architecture, software design and other protective measures:

- PINs used in transactions shall be processed using equipment and methodologies to ensure that they are kept secured.
- Cryptographic keys used for PIN encryption/decryption and related key management shall be created using processes to ensure that it is not possible to predict any key or determine that certain keys are more probable than other keys.
- Secret or private Keys shall be conveyed or transmitted in a secured manner.

- Unencrypted Key loading to hosts and PIN entry devices shall be handled in a secured manner.
- Randomized Keys shall be used in a manner that prevents or detects their unauthorized usage.
- Keys shall be administered in a secured manner.
- Equipment used to process PINs and keys shall be managed in a secured manner.

#### ❖ **Card Printing and Packaging**

- Delivering to Client by the specific authorized service provider.
- Special play packaging, which is very first in the Bangladesh.
- Central data base all the delivering information.
- 

### **3.1 Cash Transit Process**

Cash Transit process is carrying the Treasury note to various locations, but there are some specific process should be maintained.

- Principal Branch/Main Branch/Head office they are the only hub for the cash transits.
- Vehicle only can mobilize for this place
- Special vehicle and special armed security on board
- One security office and One cash teller

### **3.2 Treasury (Cash/Gold) Vault Security**

Vault security cannot be disclose, Bangladesh Bank restricted to publish any security policies regarding cash vault or treasury vault.

But here are some policies regarding security of vault

- RCC pillars with 12'inch thin concrete wall.
- Vibration detector must be installed
- Infrared and thermal camera
- Access control with special finger detection system.

#### **4.1 Secure document dispatching**

CBL is centralized bank, all the functions of banking still controlling from head office and smooth operation there are 73 individual department worked all together.

CBL dispatch service is totally different bank in Bangladesh, after the Standard Chartered Bank CBL has the own dispatch automation system in Bangladesh, which is called Dispatch Management System.

CBL dispatch has 2 wing located at motijheel, those are given below,

- Internal (CBL to CBL – All Branches/Head office/Back office)
- External (Client/Service provider)

#### **5.1 Fraud Detection**

For any kind of fraud detection CBL admin have to provide various evidence to Internal Control and Compliance Division. Other hand there are so many compliance also guided by Bangladesh Bank too.

#### **6.1 CCTV surveillance**

1. Every floor (standard Size) must be fully cover-up in CCTV surveillance
2. CCTV footage must be stored minimum 6 months

3. Infrared, Motion detection system must be installed too.
4. Special team or service provider must be assign for any support

## **6.2 ATM Booth surveillance**

CBL Admin and ADC combine operate a team called IM (Infrastructure Maintenance Team), they are surveillance and reporting 24 hours to their in charge, this team works as roster basis.

## **6.3 Bank Note, Cheque tester**

In general admin there is a special unit call logistic, they are assign to provide all kind of machine regarding Bank Note and Cheque testing. Usually this machine are called UV Machine

## **7.1 Access Control**

In the CBL access control is one of the important part of the security, and there also Bangladesh Bank guide line and other government security issues related to access control.

TMS (Access Security Software)

In computer security, general access control includes authorization, authentication, access approval, and audit. A more narrow definition of access control would cover only access approval, whereby the system makes a decision to grant or reject an access request from an already authenticated subject, based on what the subject is authorized to access. Authentication and access control are often combined into a single operation, so that access is approved based on successful authentication, or based on an anonymous access token. Authentication methods and tokens include passwords, biometric scans, physical keys, electronic keys and devices, hidden paths, social barriers, and monitoring by humans and automated systems

- Access control systems provide the essential services of CBL authorization, identification and authentication (I&A), access approval, and accountability where

- Authorization specifies what a subject can do, It's a combine security key form admin and IT
- Identification and authentication ensure that only legitimate subjects can log on to a system
- Access approval grants access during operations, by association of users with the resources that they are allowed to access, based on the CBL admin authorization policy
- In general Human Resource accountability for create identifies of employees and their information (or all subjects associated with a user).

### 8.1 **Branch Operation procedures**

- Branch operation manager's activities, General Guide line by the CBL Branch operation division.
- Daily operation procedures, General Guide line by the CBL Operation division.

### ❖ **Guarding**

- Posting Guards
- Gun policy
- Gun man policy

### 9.1 **Fire and Safety**

Fire and safety issue is compliance with Fire service department, Although GAD is responsible for that, Fire and Safety issuers are

- Alarm System
- Exit process
- Automated fire extinguisher
- Manual or Mobile fire extinguisher
- Water connections

## **8 Evacuation Drill**

As per Bangladesh Bank guides evacuation drill must be practice in below mentioned manner,

- For each location (Head office/ Back office/ Branch) yearly minimum 2times drill should be done.
- Depend on size adequate space for evacuation zone.
- Form every department 2 person should be selected for volunteer.

### **Observational analysis**

As an officer of CBL and being part of security team it is very hard to work here to comply full guidance of Bangladesh Bank and other Government organization, But for all outsider they cannot understand what the play is going on behind the seen. In my 2 year career, have learn too many thing about security issue, but yes although I'm student of business area these are not my filed. But still I believe working in a structured way is very mush effective to learning and build up career too.

CBL admin division really work heard very day to smoothen the work, huge work load but its distributed to each and every person of CBL GAD, so that operation not hampered. Admin support all the other department flawlessly and every time ready to face any kind of incident at anywhere in Bangladesh to protect property of CBL.

# **CHAPTER 2: ANALYSIS AND**

# **COMPLIANCE**

### 1.1. Strategic Group Mapping Analysis

Strategic group mapping is a tool to understand actual position of any organization in the same industry for a specific matter. This report about all of the security measures, therefore it's very rational to understand where the CBL is standing about the security measure compare to all of the banks operate in Bangladesh.

Tools of strategic group mapping,

In this report, here two major aspects considered as a basic tools for group mapping

- A. **Investment in security:** The total capital that invested in security system to ensure all the security measures.
- B. **Service Quality:** Ensuring the level of security quality to the client and other services.

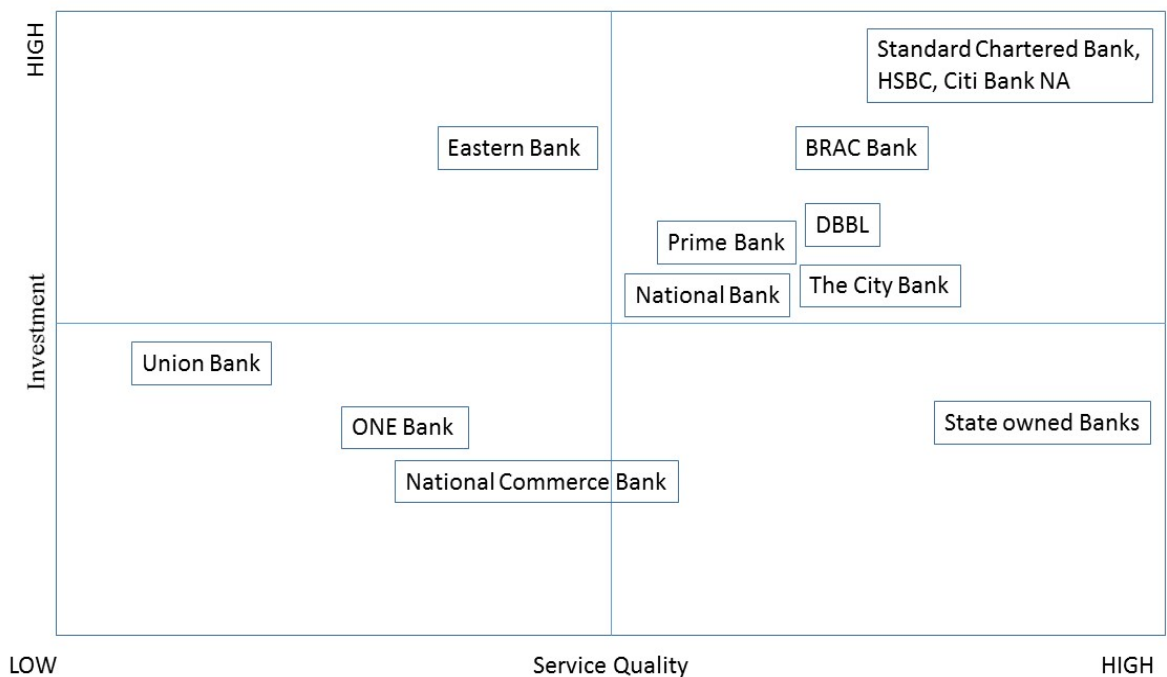


Figure: Strategic Group Mapping of Bangladeshi Banking



## 2.1 Benchmark Analysis

Benchmark analysis will tell us what should be the standards required for security measures by the Bangladesh Bank with all other related government organizations and where the CBL meet that benchmark or not.

### 2.1 Intruder Alarm System

Intruder alarm system that detected any unwanted entry in the organization's premises, especially during off times. Although in our county this type of security system is very rare. Recently, Bangladesh bank introduced to the Banks and other financial institution to install this system as a pilot basis.

<b>Devices</b>	<b>Benchmark</b>	<b>CBL Standards</b>
Vibration Detection System	Should be installed at all treasury vaults.	Installation in progress.
Motion Doctor System	Should be installed in restricted areas.	Installation in progress.
Heat Temperature Detection System	Not Mandatory for installation.	Installation in progress.
Glass Break Alarm System	Not Mandatory for installation.	Installation in progress

Table: Intruder Alarm System - Benchmark

### 2.2 Environment Protection System

Environment protection system is like general security for the all employees, as like entry and exit process in a Branch or Head office, General guide line for security, restriction etc. Now by the systematic survey here I draw sorting to understand the environment protection system.

### A. In Branch Office

Areas	Benchmark	CBL Standards
Free entry and exit to the Vault area	Restricted for all	Highly restricted.
Chief Teller Area	Restricted for all	Not that much restricted.
Fire Arms	At least two fire arms fully equipment with individual gun man	Not followed as guided.

Table: EPS Branch Office – Benchmark

### B. In Back Office

Areas	Benchmark	CBL Standards
Dealing Room	Restricted for all	Highly restricted
IT Server Room	Restricted for all	Highly restricted
ADC Exchange room (ATM Machine)	Restricted for all	Highly restricted

Table: EPS Back Office – Benchmark

## 2.2 Infrastructure and Architectural System

This segment is not regulated by Bangladesh Bank, it's all about civil defiance authority, Local Government authority (for rural areas), Rajuk (Rajdhani Unoyon Kortipokkha) and City Corporation. Bangladesh Bank's monitored this segment by the circular of BRPD (Banking Regulation and Policy Department).

### 2.3 Fire Alarm and Evacuation System

Now days this is one of the most important issue. Government is very restricted about this issue along with Bangladesh Bank too. For a financial institution they have several regulatory board to monitor this fire and evacuation system. After the recent Nepal earthquake, Bangladesh Bank issued an emergency circular to the Banks to investigate the entire infrastructure thoroughly as guides by civil defiance authority.

<b>Devices</b>	<b>Benchmark</b>	<b>CBL Standards</b>
Auto Fire Alarm System	Auto Fire Alarm should be installed floor by floor	Installed as per guide lines.
Smoke Detector	At least 12 smoke detector must be installed about in 2000 sq ft area.	Installed as per guide lines.
Emergency Exit	At least one emergency exit will dedicated for use.	Not followed as guide lines.
Water System	Minimum one hose pipe installed floor by floor.	Installed as per guide lines.
Fire extinguisher	At least 4 Fire extinguishers must be installed about in 2000 sq ft area.	Installed as per guide lines.
Evacuation Drill	For individual locations yearly 2 times drill is mandatory	Followed as per guide lines.

Table: FA System – Benchmark

### 2.4 Cash Transit Security System

For Banks and Financial system cash transit security is very important, Bangladesh Bank and government regulated this issue very strictly. By the various secondary data collection and observation here given some comparison analysis between regulation of guide line and CBL standard.

<b>Particulars</b>	<b>Benchmark</b>	<b>CBL Standard</b>
Transit Vehicle	Special car should be dedicated for this transit system	Followed as per guide lines.
Fire Arms	Two gun man with fully equipped fire arms	Followed as per guide lines.
Official Person	One senior officer from teller team	Followed as per guide lines.
Vehicle Tracking System	Should be installed.	Followed as per guide lines.
Wireless Communication	Should be installed	Followed as per guide lines.

Table: Cash Transit – Benchmark

## 2.5 Document Security while Dispatching

Dispatching documents or any other security item is very important, As per Bangladesh Bank compliance and other security policy all together ensure a secure dispatching. CBL have achieved tremendous benchmarking among the all banks operate in Bangladesh. Here the observation of the benchmark and CBL standard comparison.

<b>Particulars</b>	<b>Benchmark</b>	<b>CBL Standards</b>
Secure packaging of all type of plastic cards	Must be compliance to the Bangladesh Bank guideline.	Fully compliance and AMEX standard followed.
Separate courier channel for plastic card and pin distribution	Must be compliance to the Bangladesh Bank guideline	Fully compliance and AMEX standard followed.

Dual layer ploy pack packaging (First ever in Bangladesh)	Optional	AMEX standard followed.
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Table: Dispatch – Benchmark

## 2.6 Central Storing System

The City Bank Limited is the only bank have special department call DSS that fully compliance for central storage system with a 6000 sq ft three stored. All other bank follows this compliance but not like the CBL with a dedicated building and for bank keep the all documents is compulsory.

## 2.7 Connectivity Security System

Connectivity security is very important for banks, basically it's required for ATM machine and Finacle online transactions. Recently POS terminals are also need connectivity security. POS (Point of Sale) is actually a machine for use plastic cards, it use mobile SIM cards for connectivity. All those connectivity need to be secure. ADC deal with all this connectivity and admin is for further monitoring and maintainer. Benchmark for connectivity security system,

Connectivity System	Benchmark	CBL Standard
ATM connections	Must be use wireless modules	Wireless modules with another backup wireless module
POS Machines connections	Must be use wireless modules	Using GSM technology to secure wireless connectivity
Finacle Transactions	Must be dedicate connections through the own server with secure protocol	CBL IT take care of all the protocols

## 2.8 CCTV system

CCTV (Close Circuit Television) is actually a system integrated with camera, connectivity, DVR, console panel and television. Bangladesh Bank have strictly imposed CCTV act under the general banking security circular.

<b>Particulars</b>	<b>Benchmark</b>	<b>CBL Standard</b>
Camera (Infrared)	Camera should have infrared technology	Maximum Cameras are embedded with infrared technology.
Connection Cables	Depends upon camera position	Wireless and wire both
DVR/NVR and Storage	At least 6month tape should be stored in DVR/NVR	In progress.
Console panel	Minimum 01 console for per 24 CCTV cameras.	In progress.

Table: CCTV System - Benchmark

### 3.1 SWOT ANALYSIS

#### **Strength**

- CBL have the long baking experience in order to compete security issue.
- Amex standard service.
- Advance technology and IT infrastructure.
- For any security matter CBL have own administration division.
- Most of the Army persons are dealing with all type of security issues.
- Good understating between each department.
- Advance Centralization Banking system.
- Fully automated banking.
- Advance internet banking.
- Secure internet banking protocol.
- Advance ATM machine, Walk though ATM system first in Bangladesh.
- Most secure AMEX protocol.

## Weakness

- Too much corporate complexity to impose any new policy.
- Technology is change every day but for Bank it's very hard apply any technological change overnight.
- Under the cost cutting rules, some major security part has been declined.
- Bank's own security guards are lazy compare to other service provider guards.
- IT infrastructure need to be relocated, because for recent earthquake it's became little unstable.
- There are different build occupied as CBL back office in very scattered location of Dhaka City, As a result communication kills so many productive time.
- As a financial institution, less attention to upgrade or maintained security issue compare to Bank's business unit.
- Employee benefits is little lower in Head office compare to working in Branch.
- Increasing of work load every day but resource is limited.
- Fire and Safety system is out dated.
- Business unit getting the highest priority among the all unit.
- Grade of Guards are not satisfactory.
- Fire arms getting back dated.
- CCTV and footage storage not that much adequate.
- On demand no reserve security personal or guards.



## **Opportunity**

- Increasing service quality that also helps to increase client.
- Provide most secure online portal and payment system.
- Capacity to control more branches that means no extra problem in technical side.
- Huge IT infrastructure, for proving smooth operation.
- With Centralize Banking System, Banking is more secure compare to all other decentralize banking system.
- City Touch, first time in Bangladesh with whole Banking facility.
- Huge Admiration support, for securing every matter related to security.
- Special security unit, Helps to improve service quality.
- Advance security equipment's, fully compliance to others.

## **Threat**

- Everyday new type of security issue arises.
- New kind of general theft attempts.
- New kind of technological fraud attempts.
- Vulnerable condition of law and order
- Unstable government security support.
- Using lower grade guard.
- Regular upgrading problem.
- Very competitive client service and satisfaction.
- Bangladesh Bank compliance and audit issue.
- New Banks with more security.
- Need more effective trainings.

#### 4.1 Compliance

By this compliance chart we can understand CBL achieving compliance comparing locally and the international standard of same industry,

<u>Compliance</u>	<u>Local standard</u>	<u>International Standard</u>
IT Infrastructure	√	√
Backup Server	√	√
Internet Connectivity	√	⊗
Central Data Base	√	√
Client Data Base	√	√
Vault Security System	√	⊗
Office Infrastructure	√	⊗

Parking System	⊗	⊗
CCTV Surveillance	√	⊗
Guards	⊗	⊗
Intruder Alarm System	√	⊗
Cash Transit System	√	⊗

Document Preservation	√	⊗
Dispatching	√	⊗
Package Security (Credit Card)	√	√ (AMEX Trade Mark)
Note Tester (UV Testing)	√	⊗
Fire Alarm System	√	√
Evacuation Process	⊗	⊗
Security Devices	√	⊗

Network Backbones	√	⊗
Alternative Power Backup	√	⊗
Online Security	√	√
Access Control (Software)	√	√
Access Control (Devices)	√	⊗

Table: Compliance According to Bangladesh Bank

\*Verified up to 2014 Data Base.

### 5.1 Security Factors Comparing to Other Banks

<b>Factors</b>	<b>Dutch Bangla Bank Limited</b>	<b>Prime Bank Limited</b>	<b>Eastern Bank Limited</b>	<b>National Bank Limited</b>	<b>The City Bank Limited</b>
Centralized Security Operation	NO	NO	NO	YES	YES
Branch Security Operations	YES	YES	YES	NO	NO
Mobile Security Team	YES	NO	NO	NO	YES
Grade of Guards	Standard	Standard	Above Standard	Standard	Below Standard
Cash Transit Process	Secure	Secure	Secure	Secure	Secure
Vault	Standard	Standard	Above Standard	Standard	Above Standard
Note Checking System	Standard	Standard	Above Standard	Standard	Standard

Table: Comparing Security Factors of Bangladeshis Banking Sector

## 6.1 Client Satisfaction

According to several new and articles of customers satisfaction in security system regarding local banks,

Factors for Customer Satisfaction	Dutch Bangla Bank	Prime Bank Limited	Eastern Bank Limited	National Bank Limited	The City Bank Limited
ATM Booth Security	Good	Good	Very Good	Good	Very Good
Online Banking Security	Very Good	Very Good	Good	Good	Very Good
Cash Transit Security	Very Good	Good	Good	At the Level	Very Good
Security Inside or Outside Branch	Good	Good	Excellent	Good	Good
Credit Card System	Good	Excellent	Good	Good	Excellent
Call Center Security	At the Level	Good	Good	Good	Excellent

Table: Customer Satisfaction Regarding Security System of Bangladeshis Banking Sector

\*At the level: Minimum requirement meet according to Bangladesh Bank.



### **7.1 Board Members and CBL ManCom statement regarding security**

CBL have own standardization rules over the Bangladesh Bank security policies, Management Committee always want to stay focused in the competitive market with best possible security among the local bank, Now they push the limits to the international segment to, As a result board member and ManCom approved various security policies, Now here I'm putting a comparison between projected and current security system,

<b>CBL Standardization</b>	<b>Current System</b>	<b>Projected System</b>	<b>Remarks</b>
Intruder Alarm System	Installed in most of the Branches	All CBL Branch should have this system	Work in progress
Online Security and Facilities	Highest system installed up to 2014	More advance system should be installed by the 2017	Work in progress
Access Control	TMS last version	N/A	Fully operational
Secure and Fast Dispatching	Not fully Automated	Fully automated	Work in progress
Store Data Base and Security	Highest system installed up to 2012	N/A	Fully operational
Special Packaging for Credit Card	Used as pilot basis	Double layer poly packaging	Decline
Fire Alarm and Evacuation System	Need to upgrade	N/A	Held up

Table: Management Committee's Recommendation of The City Bank Limited

## **CHAPTER 3: FINDINGS**

1.1 In the finding part I tried to accumulated all the matters through I described in this report,

- CBL general admin division and the security team are dedicated to all security issues. As we know in banking sector admin is generally called common service division. But in CBL admin has huge work area form designs a branch / office / ATM etc to secure all the assets.
- CBL admin have organized advance security operations, Which is fully compliance to Bangladesh Bank circular and other circular of government organizations
- CBL IT has advance secure protocol system, which has most secure internet protocols and Banking connectivity. Bangladesh Bank ICT policy is fully obliged and ISO9001 certified too.
- AMEX Standard Bank, after the collaboration to the AMEX its mandatory to have the minimum level of standard of Banking. Here City Bank obtained huge popularity and service to the client.
- Employee rank and designation problem, In the CBL some point employee are not getting the full appreciation and benefits.
- Challenging job, in the admin there are no job like target achieving or product lunching, rather here people are engaged with several challenging task, its start form MacMom with a situation, Divisional head direction and ends with leading by Department heads. Every day new task and new kind of solution.
- Understanding behind the scene of security measures, yes it's a great opportunity to work with CBL in admin division, as a business student we need to know this kind of matters beside the business arena and that can be very good to build up career.

## **CHAPTER 4: RECOMMENDATION**

## 1.1 Recommendation

- Management should pay little attention to security system, because now a days security is big concern
- For apply any advance technology Bangladesh Bank and Bangladesh Government should have individual cell tor technological advancement.
- Need more facilities to the existing guards, that can be improve their motivation which is very important.
- IT division should more cooperative with Admin, because major security concern for Admin is IT.
- HRD needs to emphasize on Head office employees too.
- Organized work distribution need on urgent basis, because it's happed productivity.
- Immediately Fire and Safety system need to be update.
- CCTV and Footage storage capacity need to be update, Hence CBL maintained the Bangladesh Bank guidance of this policies.

# **CHAPTER 5: CONCLUSION &** **REFERENCES**

## **1.1 Conclusion**

As we know The City Bank, established in 1983, is 1st generation personal industrial banks during this country and is that the best bank in terms of adopting international best practices by doing away with old ancient redistributed banking model and culture. The main focus of the "transformation" project was conjointly on up the general quality of assets; re-launching the complete anew; investment the technology potential; up the standard of product offerings and inserting abundant higher benchmarks for client service.

CBL complete is already recognized because the "most purported reworking establishment within the country" and currently it's poised to become the "Most purported establishment Brand" before long. The Bank goes to launch Priority Banking services for top internet price people in 2013. This year can see the launches of Mobile Banking for unbanked individuals, Pt securities market card for the highest finish of the market, the country's 1st Business-to-Business (B2B) card and then on.

So this report is not apart from the business aspects of the back which has been just talked right above, it's about security which is supportive for operate the banking system every day 24 hours and 365 days in a year. Here I trying to just informing some security aspects of banking activities and what the actual seen happened every.

## **2.1 References**

Regarding the studies on this project necessary references have given below:

### **References of personal Interview:**

1. Mr. Cpt. Alauddin Al Azad (Retd), Head of Security and Protocol, 23<sup>rd</sup> July 2015.
2. Mr. Cpt. Nayeem Hasan, Senior Manager Security Operations, 23<sup>rd</sup> July 2015.
3. Mr. Mir Mohsin Hosen, Head of IT Operations, 26<sup>th</sup> July 2015.
4. Ms. Milufa Akhter, Senior Officer Card Personalized Unit, 27<sup>th</sup> July 2015.
5. Mr. Azim Anwarul Azim, Officer Access Control, 23<sup>rd</sup> July 2015.
6. Mr. Mahfuzur Rahman, Head of Branch Operation, 26<sup>th</sup> July 2015.

### **References of Books and Policies:**

1. Operation Management, William J.Stevenson (8<sup>th</sup> Edition).
2. Annual Report, The City Bank Limited, 2015.
3. Card SLA Operation, The City Bank Limited, November 2014.
4. IT Security Policy, The City Bank Limited, August 2011.
5. Security Operation Policy, The City Bank Limited, March 2011.
6. Fraud Detection Policy, The City Bank Limited, October 2013.
7. Guideline on IT Security For Schedule Banks and Financial Institution V.20, Bangladesh Bank, April 2010.
8. Bangladesh Electronic Funds Transfer Network (BEFTN) Operation Rules, Bangladesh Bank, August 2010.

### **References of Website:**

1. <https://www.bb.org.bd/aboutus/regulationguideline/guidelist.php>
2. <https://www.thecitybank.com/>
3. [https://en.wikipedia.org/wiki/Strategic\\_group](https://en.wikipedia.org/wiki/Strategic_group)



# **CHAPTER 5: APPENDIX**

## **Policies:**

Guideline on ICT Security for Scheduled Banks and Financial Institutions April, 2010 Version 2.0

## **Objectives**

This Guideline defines the minimum requirements to which each bank must adhere. The primary objectives of the Guideline are:

- To establish a standard ICT Security Policy & ICT Security Management
- To help the banks and FIs for secured and stable setup of its ICT platform
- To establish a secured environment for the processing of data
- To identify information security risks and their management
- To communicate the responsibilities for the protection of information
- To prioritize information and information systems those need to be protected
- To aware and train the users associated with managing the ICT infrastructure
- To explain procedure for periodic review of the policy and security measures
- To ensure the best practices (industry standard) of the usage of ICT that is not limited to this guideline.

Bangladesh Banks: BRDP (Banking Regulation and Policy Department)

**Objectives**

- To ensure client service and security
- To ensure General Banking guide lines
- To ensure maximum security of all kind of assets
- To ensure local regulation laws
- To ensure international banking protocols
- To prioritize investment
- To build up better banking environment

**Observation:**

1. Complain management
2. Job Description
3. Group Task
4. KPI preparation
5. PMP preparation
6. Monthly Divisional Meeting
7. Weekly Report
8. Vendor Report
9. Co Worker Report

## **Interviews:**

1. Casus interviews and informal question answer session.
2. Group discussions.

## **Business Organogram:**

All the units of The City Bank Limited

### **A. Business Unit:**

1. Accounts
  - Saving Accounts
  - Current Accounts
2. Schemes
  - FDR
  - DPS
  - Insurance backed DPS
  - RMG works accounts
  - Student saving account
3. Wholesale Banking (Corporate Banking)
  - Working capital finance
  - Project finance
  - Short / Mid – Term finance
  - Structured finance
  - Cash Management
  - Investment banking
  - Islamic finance
4. SME Banking
5. Islamic Banking
6. Priority banking
7. Interest and Charges

**B. Branch Banking Unit**

1. Operation project and support
2. Service delivery
3. Central Clearing
4. Cluster heads
5. NRB

**C. Risk Unit**

1. Credit Risk Management
2. Credit Administration
3. Special Asset Management

**D. Operation Unit**

1. Trade Service
2. Trade Support
3. Cards operation
  - AMEX, Master, Visa
  - Card personalize unit
  - Fraud control
4. CASA
5. Remittance
6. AMLD
7. ICCD

**E. Support Unit**

1. Human Recourse
  - Compensation and Benefits
  - Employee transfer
  - Selection and Recruitment
  - Training
2. Information Technology

- Desktop Management
  - Bandwidth Management
  - Data Server
  - Finacale
- 3. General Admin**
- Security & Protocol
  - Infrastructure development
  - Infrastructure maintenance
  - Logistic
- 4. ADC (Alternative Delivery Channel)**
- Call Center & Customer Care
  - ATM Booth
  - Internet Banking (City Touch)
  - Asset Value Centre
  - Labiality Value Centre

**Key Words:**

ADC: Alternative Delivery Channel.

Man Com: Management Committee.

TMS: An Access Control Software.

IT: Information Technology.

GAD: General Admin Division.

IM: Infrastructure Management.

CBL: The City Bank Limited.

AMLDD: Anti Money Laundering Division.

SD: Service Delivery.

OPSD: Operation Project and Service Division

BB: Bangladesh Bank.