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*Analyzing Customer Satisfaction Level At  
Standard Chartered Bank; Narayangonj Branch*

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**Internship Report**  
Bachelor of Business Administration

**Submitted By**

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**Submitted To**

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**BRAC University**

*“Analyzing Customer Satisfaction Level  
At Standard Chartered Bank;  
Narayangonj Branch”*

31, December, 2009

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**Subject: Prayer for accepting the internship report on the topic of “Analyzing Customer Satisfaction Level at Standard Chartered Bank; Narayangonj Branch”.**

Madam,

With due respect, I am Afrin Akter Rumi bearing ID# 07204073, a student of Brac Business School. My major is Marketing, and minor is Human Resource. I would like to submit the internship report of my BBA program on **“Analyzing Customer Satisfaction Level at Standard Chartered Bank; Narayangonj Branch”**.

It has been great experience for me to do my internship at Standard Chartered Bank Ltd, Narayangonj Branch from September 2009 to November 2009. At that time, I have closely observed and studied different practical aspects of the banking environment at Standard Chartered Bank Ltd, Narayangonj Branch.

I believe this genuine and honest analysis will help you to have a positive viewpoint upon me. I will be pleased to deliver you with added explanations or clarifications that you may feel necessary in this regard. I shall be thankful if you kindly approve this effort.

Sincerely yours,

---

Afrin Akter Rumi  
ID # 07204073

## Acknowledgement

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At the very beginning, I would like to express my deepest gratitude to the Almighty Allah for giving me the ability and the strength to finish the task successfully within the scheduled time.

I would like to express my heartiest gratitude to my supervisor Afsana Akter, Senior Lecturer, Brac Business School, Brac University, for her valuable guidance, support, co-operation, encouragement and advice through the preparation of the report. His valuable suggestions and strict guidance made it possible to prepare a well organized report.

My heartiest gratitude goes to Mr G. C. Roy Chowdhury, Branch Sales and Service Manager of Standard Chartered Bank, Narayangonj Branch. I am also indebted to my on-site supervisor, Mr Mahfuzur Rahman, Sales Team Manager, Narayangonj Branch, for his willful and heartiest co-operation and giving me the inspiration and suggestion to complete the whole report in a constructive fashion. My endless thanks goes to Mr. Noor Mohammad (BSE), Md Kalim Uallh (PFC) & Md Mahmud Hasan Sumon (PFC) of Narayangonj branch, who have given me their precious time to explain about different issues and topics of SCB, the strategies of the bank and guided me throughout the internship period.

Finally, I would like to express my foremost gratitude to all the officers and employees of SCB, Narayangonj Branch for supporting me and giving me pleasurable working experience and for providing me with most relevant information on the basis of which I have prepared the report.



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## Executive Summary

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It is very interesting to observe how organizations are involved to shape themselves for a new arena. We are entering into a new dynamic millennium of 21<sup>st</sup> century. Especially we know banks are directly in action to up-grade the economic position of countries every time. I conducted and experienced the project from that point of view. No doubt marketing contributes vastly and rapidly to the development of business as well as the economy. In this regard I took ***“Analyzing Customer Satisfaction Level At Standard Chartered Bank; Narayangonj Branch”*** as my topic, I will analyze this topic for having an inside look of the banking system of Standard Chartered Bank. Dealing with customers every day is not an easy job. Financial institutions serve a wide variety of customers individually and conduct business with a variety of financial needs. It takes special skills and knowledge to handle customers successfully. As a bank’s boom or bust largely depends on customer satisfaction, a unique understanding of customers needs must be developed, and “Board of Director” is the head of the authority. Standard Chartered Bank (SCB) is multinational bank so that country Head office controls all the activities centrally. Branches essentially don’t require all the departments as like as the head office.

All kinds of service provided by a Bank are closely related to the customer/client. A bank is mainly based on its marketing strategy. It is impossible to establish a Bank without marketing strategy. The main marketing strategy of the ‘Standard Chartered Bank’ is fewer prices, more profit that means better service, more satisfaction, more profit. A bank is called the businessman of others money. Since a customer is a very important factor for the bank every bank should try to satisfy its customers by providing them various types of service. A banker should know about the customer needs & wants to achieve his ultimate goals. For this reason every bank tries its best to satisfy its customers due to establish their own business in the most competitive business world. Only a customer can be able to establish a bank with his or her own trusts. On behalf of any bank, every banker should try to capture the faith and trust

of his/her customer. The first thing that I noticed in my intern period, SCB is not for all. To open an account in SCB it cost minimum BDT 20,000.00, anyone cannot bear this amount. Another thing is SCB's charges are higher than any other bank. But here SCB followed some techniques to satisfy its customers. It provides many facilities to its customer to reduce their change. If the customers are straightly following those techniques, they will be highly satisfied with SCB and also they will have no complain with SCB's charge. SCB always try to provide better service to its customer, it launch new product very frequently to fulfill its customers demand. Defiantly, Customer's satisfaction level becoming high by this new product, they can feel that their account maintaining, lending process becoming very easy to them. They are very comfortable with SCB.

SCB is running it business successfully in Bangladesh since 1947 till now. It is possible only because of its better service to satisfy all of its customers. After doing a research, I have found that SCB's customers are really satisfied with SCB's service, employee's behavior, product diversifications etc, because without customer satisfaction no organization can run for a long time.





# Chapter 1



# Introduction

## 1.0 Introduction

Internship is a partial requirement of graduation. It offers a great opportunity for any student to get some tremendous and brilliant ideas about the practical field. It is also a challenging experience to prepare Internship Report which increases intellectual abilities as an efficient graduate. As Banking sector have emerged as the most important player of our economy and they also offer a passionate environment for career development so it was my premier objective since the very beginning of BBA program to accomplish internship in this type of financial institution.

A develop banking sector plays a vital role for financial stability of a country. Standard Chartered Bank (SCB) is a multinational bank and financial services group that is incorporated in the U.K. with a unique international network. It now spans in the developed and emerging economies of the world, after having been in existence for 150 years now. I am very glad for getting the opportunity to accomplish my practical training in the Standard Chartered Bank at 26, Shayesta Khan Road, Narayangonj Branch, Narayangonj-1400. The internship program was carried on the consumer banking department. The internship report has been based on the Customer's Satisfaction taken by the consumers of Standard Chartered Bank. During the three month long internship period spanning form September 01 to November 30 in Standard Chartered Bank the writer of this report gained practical knowledge about the evaluation process of Customer Satisfaction a consumer product of SCB and worked on a project titled **"Analyzing the Satisfaction Level for Consumer of Standard Chartered Bank; Narayangonj Branch"**. Here the analysis has been made on the service of SCB, different product like Account; loan of SCB as a whole as well as a performance evaluation of SCB has been made to identify the relationship of the profitability of the bank and the contribution of the customer satisfaction.

## 1.1 Origin of the report

The report has been prepared as a fulfillment of the partial requirement of the internship program as authorized by BRAC Business School (BBS), BRAC University. The primary goal of the internship prospectus is to provide on the job coverage to the student and an opportunity for translation of theoretical conceptions in real life situation. Students are placed in enterprises, organizations, research institutions as well as development projects. The program covers an overall period of approximate 12 weeks of organizational attachment, with report finalization work.

## 1.2 Purpose of the study

As an institution, bank has been contributing towards the development of any economy for a long time and at the moment it is treated as an important service industry in modern world. Nowadays, the function of a bank is not limited within the same geographical limit of any country. Due to globalization and free market economy, this industry is facing severe competition. Most of the banks fail due to lack of proper strategic planning and goals. One of the major reasons of their poor performance is adaptation of traditional banking system. They are very much slow in adopting new product line, less concerned about attracting and satisfying customers and being reluctant to implement information technology. That's why it is very necessary for each and every bank to evaluate its performance over the periods. But the most important thing is that nearly all of the banks are more focusing on sale rather than the service, even they do not know how to evaluate their performance.

Basically, this study is conducted to expose the way to find out the customer's satisfaction level and know how to provide them better service. Different evaluating procedures and techniques have been followed to measure the customer's satisfaction.

## 1.3 Objectives

More precisely we can identify the objectives of this report as follows:

- To describe the general banking function, structure and its procedures, rules and regulation.
- To study the existing overall banker's customer relationship.
- To describe the various investment procedure of Standard Chartered Bank.
- To analyze the performance of SCB.
- To identify specialized functions and characteristics of SCB.
- To understand the internal and external environment of the organization.
- To provide recommendation for improvement of SCB.
- To study the customers relation with the SCB.

## 1.4 Methodology of Data Collection

For achieving the specific objectives of this study, data were gathered from both primary and secondary sources.

### ➤ Primary Sources

- Direct conversation with the respective officers of the branch.
- Face to face conversation with the clients.
- Customer's opinion collected through Questionnaire.
- Observation of the banking activities.
- Trough observation of activities.

➤ **Secondary Sources:**

- Various records of the bank.
- Different Types of brochures.
- Website of Standard Chartered Bank.
- Different newsletters of SCB.
- Annual Balance Sheet, Profit & Loss Account of SCB.
- Financial highlights of the organization.

### 1.5 Limitations of the study

Banking is, in fact, a huge operation and it is quite impossible to cope up all the activities during internship period. And for that reason, limitations prevail while conducting the study. The basic limitations faced in preparing the report were:

- ❖ The bank's policy of not disclosing some data and information for obvious reasons, which would have been very much useful for the report.
- ❖ As the bank is continuously changing its product offering regarding Account, Loan with new interest, flexible loan terms etc, it will be difficult to ascertain the true performance of the product.
- ❖ Sometimes it was difficult to collect data from their files, because important files are kept in vault for safety.
- ❖ SCB only publish their annual report in England. The branch was unable to provide me any copy of their annual report.
- ❖ It is difficult to make information based a rich report in a short time period.
- ❖ For the security of the organization many information couldn't provide me.
- ❖ This report is prepared within a short time.

# Chapter 2



## The Organization



## 2.0 Organization Profile

### Organizational Profile of Standard Chartered Bank

❖ **Name of the Organization:**

Standard Chartered Bank

❖ **Registered Address:**

1 Aldermanbury Square London EC2V, 7SB. England.

❖ **Bangladesh Registered Address:**

SCB House, 67 Gulshan Avenue, Gulshan Dhaka-1212.

## 2.1 Historical Background

The Standard Chartered Group is an unusual banking business. Although its roots are British, its area of operations, its network and indeed its profits stream are overwhelmingly international.

The name Standard Chartered comes from the two original banks from which it was founded – The Chartered Bank of India, Australia, and China, and The Standard Bank of British South Africa.

James Wilson following the grant of a Royal Charter by Queen Victoria in 1853, while John Paterson founded The Standard Bank in the Cape Province of South Africa in 1862 founded the Chartered Bank. Both companies were keen to capitalize on the huge expansion of trade and to earn the handsome profits to be made from financing the movement of goods from Europe to the East and to Africa.

In those early years, both banks prospered. Chartered opened its first branches in Bombay. Traditional business was in cotton from Bombay, indigo, and tea from

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“Customer Satisfaction Level At SCB; Narayangonj Branch”



Calcutta, rice in Burma, sugar from Java, tobacco from Sumatra, hemp in Manila and silk from Yokohama.

In South Africa, Standard, having established a considerable number of branches, was prominent in financing the development of the diamond fields of Kimberley from 1867 and later extended its network further north to the new town of Johannesburg when gold was discovered there in 1885. Half the output of the second largest gold field in the world passed through The Standard Bank on its way to London.

Both banks – at that time still quite separate companies – survived the First World War and the Depression, but were directly affected by the wider conflict of the Second World War in terms of loss of business and closure of branches. There were also longer-term effects for both banks as countries in Asia and Africa gained their independence in the '50s and '60s.

Each and acquired other small banks along the way and spread their networks further. In 1969, the decision was made by Chartered and by Standard to undergo a friendly merger. They decided to counterbalance their network with expansion in Europe and the United States. Further expansion also took place in Standard Chartered's traditional markets in Asia and Africa. All appeared to be going well, when a hostile takeover bid was made for the Group by Lloyds Bank of the United Kingdom in 1986.

When the bid was defeated Standard Chartered entered a period of change. Like many British banks, provisions had to be made against their world debt exposure and against loans to corporations and entrepreneurs who could not meet their commitments. Standard Chartered began a series of divestments notably in the United States and South Africa and also entered into a number of asset sales. In mid 1993, Sir Patrick Gillam became Chairman. He made it clear that Standard Chartered would grow and develop its strong franchises in Asia, the Middle East and Africa using its operations in the United Kingdom and North America to provide customers with a bridge between these markets. Secondly, it would focus on



consumer, corporate and institutional banking, and on the provision of treasury services – areas in which the Group had particular strength and expertise.

In August 2000, the US\$ 1.34 billion acquisition of Grindlays Bank was completed. This made Standard Chartered the leading international bank in India and the other countries of South Asia strengthened the Group's competitive position in the Middle East and brought to the Group a respected private banking business.

In September 2000, the Group agreed to acquire Chase's Hong Kong cards. At that time, it was also announced that Chartered Trust had been sold to Lloyds TSB for GBP.627 million.

### 2.1.1 SCB's Operations

Standard Chartered operates in every Asia Pacific with the exception of North Korea and some 60% of the Groups profits come from the Asia Pacific region.

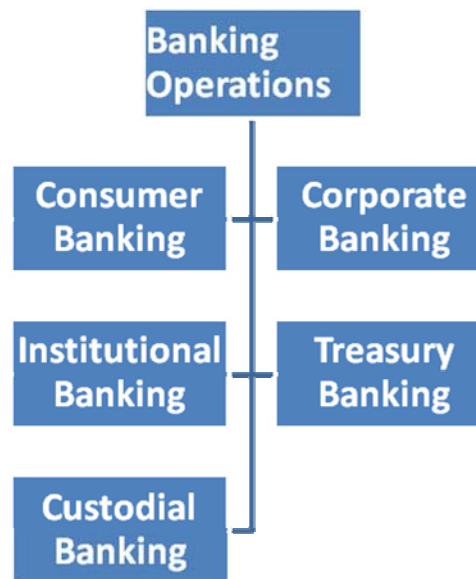
Hong Kong continues to be of major importance to the Group and contributes over 30% of total profit. With around 80 branches in Hong Kong and strong representation in China, Standard Chartered – a note issuing bank in Hong Kong is well placed to continue playing an important part in Greater China's development. The group's business there is managed by a resident Group Executive Director.

Consumer banking, and Corporate and Institutional Banking are managed out of Singapore each by a Group Executive Director resident in the island state. Other East Asian countries of note for the Group are Malaysia, Thailand where, in 1999 the bank acquired a 75% interest and management control of Bank Nakorthon and Taiwan.

Standard Chartered is the leading International bank in Sub-Saharan Africa, operating in several countries, the most prominent being Kenya, Zambia, Zimbabwe, Botswana and Ghana. The Group's operations in the Gif and South Asia are managed from Dubai.



Banking operations are shown by the following flowchart-



- ❖ Consumer Banking – which has some 5 million customers-has grown significantly in recent years and contributes about 50% of the total profits. Major initiatives support the rapid development of the credit card business in the exciting markets on India, Indonesia and Taiwan.
- ❖ Corporate and Institutional Banking – its principal strengths are in supporting regional and international cross – border trade and investments. Products and services are focused primarily on these areas, notably trade banking, cash management and custody. Institutional Banking manages the Group’s relationships with banks, investment companies, and other financial institutions. It aims to be the “banker’s bank” operating in customers’ time zones and providing network linkage between international markets. This business has continued to expand rapidly in Asia, the Middle East, and Africa and, increasingly in Latin America. It was strengthened in March 1999 by the acquisition of the trade finance operation of UBS.
- ❖ Treasury – operations are a particular Group strength with a network of over 20 dealing rooms worldwide, offering customers a 24 hour service. The bank is particularly well known for its expertise in exotic currencies and has reinforced its position as a leader in many Asian and African markets.



## 2.2 Standard Chartered Bank in Bangladesh

The Chartered Bank opened its operation in Chittagong in 1947 which, at that time was the eastern region of the newly created Pakistan. The branch opened mainly to facilitate the post war re-establishment and expansion in South East Asia. The bank opened its first branch in Dhaka in 1966 and shifted its headquarter from Chittagong to Dhaka after the birth of the Republic of Bangladesh in 1971. The bank increasingly invested in people, technology and premises as its business grew in relation to the country's thriving economy. SCB acquired ANZ Grindlays Bank for 1.34 billion dollars in the year 2000. The new venture, that is the merger was named as Standard Chartered Grindlays Bank. Now after the takeover it is known as Standard Chartered Bank. Recently it also has acquired AMEX bank and has grown even more in strength and size as well as customer base.

Extensive knowledge of the market and essential expertise in wide financial services underline SCB's strength to build business opportunities and institutional clients at home and abroad. Continuous upgrading of technology and control system has enabled the bank to offer new services, which include ATM, Phone Banking, sms banking and I-banking on a 24 hour basis. Standard Chartered's services in Bangladesh, ranges from Personal & Corporate Banking to Institutional Banking, Treasury and Custodial services.

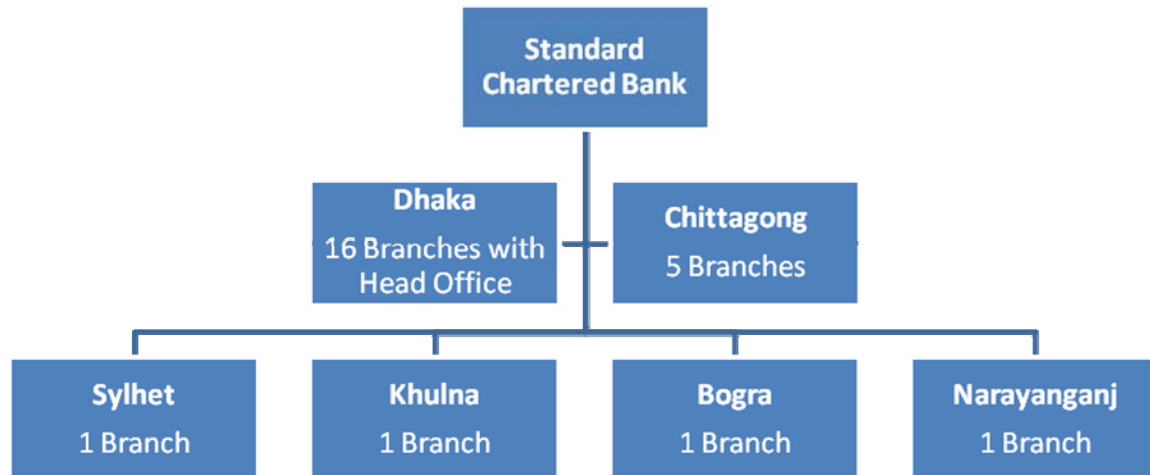
### 2.2.1 Branches in Bangladesh

As an international bank, leading the way in Asia, Africa and the Middle East and operating in over 50 of the world's developing economies, they recognize that they occupy a unique position. They believe that with appropriate policies and practices in place they can be a legitimate influence for good by promoting the best standards of socially responsible business in the developing world.

Standard Chartered plays very important role in the Banking sectors. For their operations they are continuing many branches in our country. In Dhaka 16



branches, in Chittagong 5 branches, and others are Narayanganj, Sylhet, Khulna, Bogra. Branches are given in the following flowchart-



## 2.3 Operational Distribution of Standard Chartered Bank

The operations of Standard Chartered Bank are distributed amongst different areas; they provide different types of services to different categories of customers.

### 2.3.1 Operational Areas

The operational areas are, 16 Branches in Dhaka, 5 branches in Chittagong, 1 branch in Sylhet, 1 branch in Bogra, 1 branch in Khulna, 1 branch in Narayanganj, Non-Branch ATMs scattered over many places in Dhaka, 3 Phone link Phone banking Centers, Call Centre situated in Uttara.

### 2.3.2 Categories of Services Provided

- Consumer Banking: Comprehensive Consumer banking service offer through 16 branches in Dhaka, Chittagong and Sylhet, the three largest urban centers. ATM networks, Phone Banking Services, I- banking and sms banking services are also available.



- **Corporate Banking:** Corporate banking offers a wide range of trade related services and lending to local and foreign corporate entities.
- **Treasury:** The treasury operation in Bangladesh participates in foreign currency dealing and money market operations
- **Institutional Banking:** Institutional banking offers correspondent banking services to a large number of local public and private sector banks in Bangladesh

## 2.4 Organization's Philosophy

Their philosophy at SCB is to lead the way in everything they do, ranging from our commitment to their people, customers and the community to working in harmony with investors and regulators.

## 2.5 Values

- **Responsive:** Standard Chartered is good on their word. They are accessible whenever and wherever the customers need them. Not only do they strive to deliver solutions, they also aim to exceed customers' expectations.
- **Trustworthy:** They respect the customers, and the life customers live. By understanding customers' needs and tailoring the right financial solutions for customers, they earn Standard Chartered's trust.
- **Creative:** Creative thinkers are not limited by convention. They allow their minds to soar beyond predictable solutions. That's how Standard Chartered approaches each challenge posed to the bank, which is why they base their products and services on ideas that are innovative, perceptive and instinctive.
- **International:** They (SCBs) understand the balance between global and local. Customers trust them to be established and internationally-networked, while at the same time sensitive to the customer individual needs. Their strong network across cultures helps customers build stronger relationships based on ideas, not formulae.

- **Courageous:** A commitment to being there for customers, in good times and bad. They help customers achieve their aspirations by guiding them towards the right choice, not just the easy one.

## 2.6 SCB's Objectives

Based on their mission and vision, Standard Chartered has come up with few objectives, which they believe will help them reach their desired destination. They are:

- **Gaining a larger market share:** Standard Chartered Bank currently has a quite low market share of less than 6%. They want to increase their market share in the coming years.
- **Provide technologically advanced services:** SCB want to provide technologically advanced services for the convenience of their customers. They were the first bank in the country to introduce Money link ATM cards. Now they have introduced Phone-banking, Internet banking and SMS banking.
- **Making banking comfortable and convenient for customers:** SCB wants to retain their customers by making customers feel comfortable while they are at the banking premises. For this reason they have arranged for adequate seating facilities.
- **Ensuring customer satisfaction:** Standard Chartered Bank has made use of different means of getting feedback from customers so as to understand their level of satisfaction, based on which they can take the necessary actions to ensure customer satisfaction.



## 2.7 SCB's Strategies

Standard Chartered Bank has formulated some strategies to achieve their desired objectives. These strategies include

- **Promotional activities:** Standard Chartered Bank is trying to achieve their objective of increasing their market share by engaging in promotional activities.
- **Offering a very wide range of innovative products:** Standard Chartered Bank wants to establish themselves as a strong brand name in the minds of customers. Innovative products such as evening banking, 24 hours ATM banking, 24 hours Phone banking, Internet banking, SMS banking, platinum credit cards, gift cards positive steps in this regard.
- **Introducing more convenient and comfortable means of banking:** The innovative products offered by SCB have already made banking more convenient for customers. They have introduced token systems for customers who want to engage in cash and cheque transactions or want to make remittances.
- 
- **Providing free gifts to customer who make more use of SCB's products and services:** The Bank has made use of promotional strategies such as providing customers with free gifts like perfumes, shopping vouchers based on their use of credit card usage.

### ❖ Vision

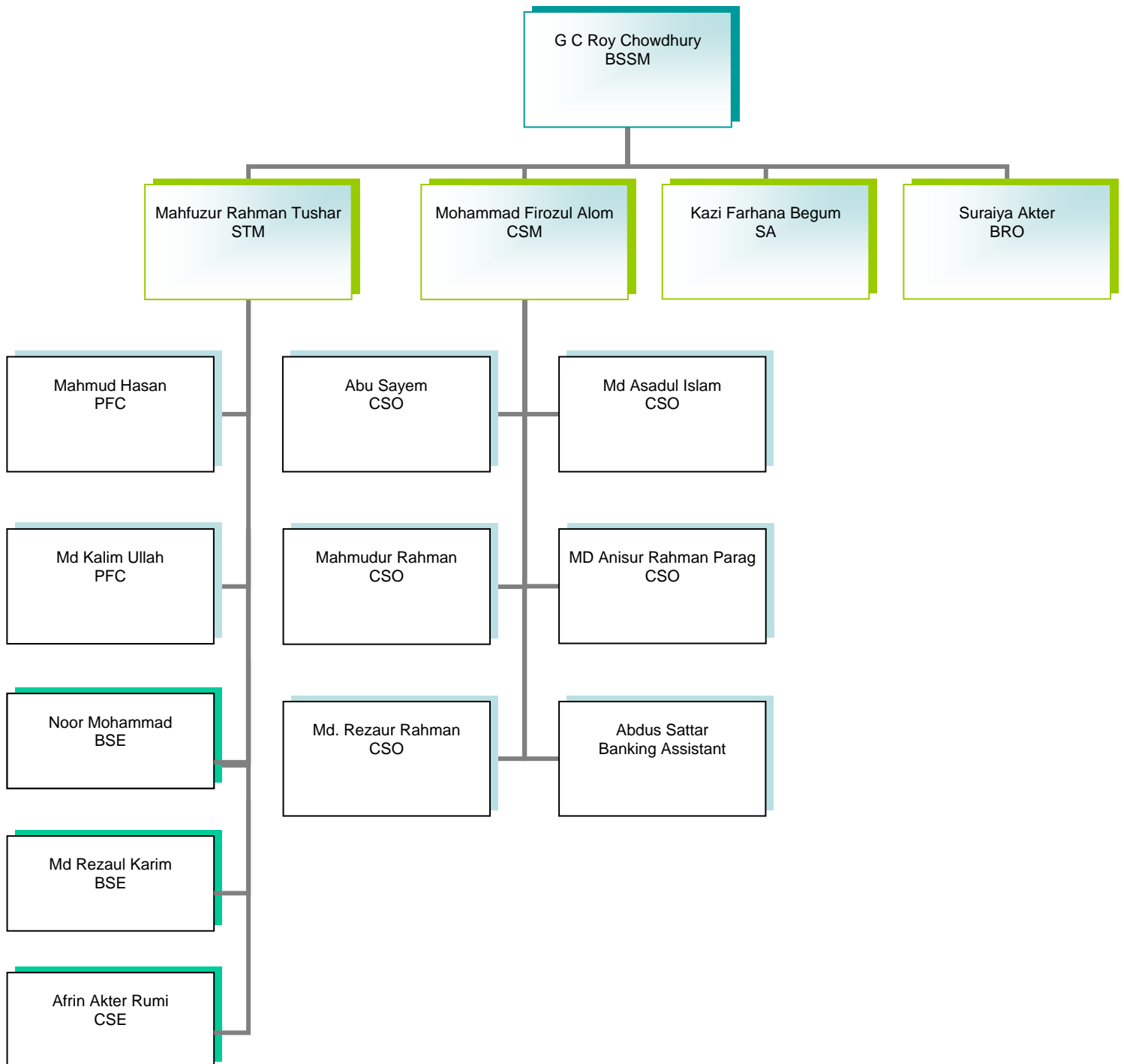
Leading the way by providing best customer services. Brand promises buying the right partner

### ❖ Mission

Their motto is to become the world's best international bank.



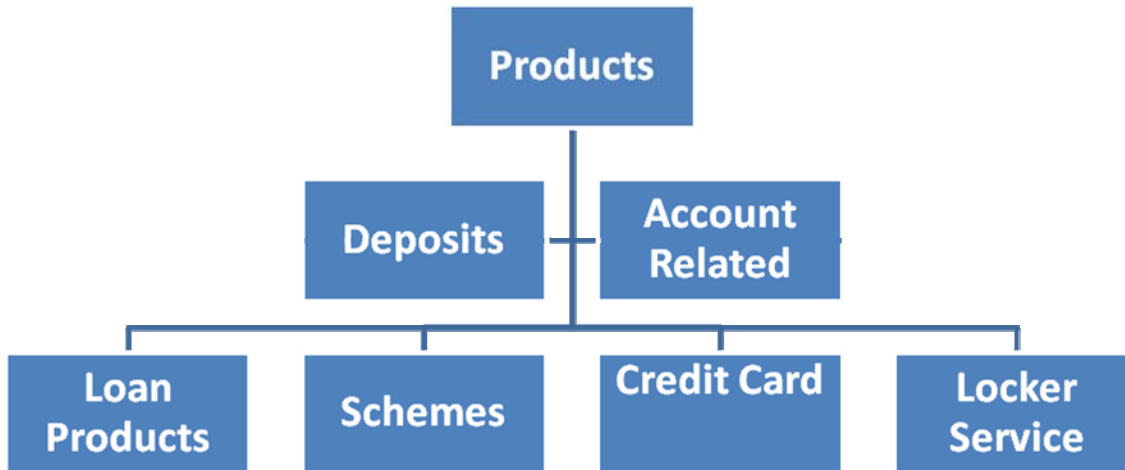
## 2.8 Organizational Structure





## 2.9 Products Information

Products classification are given below with flow chart-



My report topic is about Customer Service. For this purpose firstly I have discussed about the products of SCB because they provide their services to the customers through their product.

### 2.9.1 Current Account

Current account is suitable for both individuals like Resident Bangladeshis, Non-resident Bangladeshis, Foreign Nationals resident in Bangladesh and non- individuals like Sole Proprietorships, Registered Partnerships, Unregistered Partnerships, Public Limited Companies, Private Limited Companies, Clubs, Associations, Societies, Charities, Nationalized Organizations, Autonomous Bodies, NGOs.

Anyone can open an account. It is to enclose the following things for opening account.

1. Copy of passport / Voter ID card / Driving License / Photographs of applicant and the nominee (Introducer will sign behind the photograph of the applicant and applicant will sign behind the photograph of nominee.)

Resident Bangladeshis can open another account called RFCD account. It is described below.

## Minimum Opening Balance

To open a Current account the Minimum balance should be BDT. 50000.00 By cash or cheque. There is No interest in current A/C

### 2.9.2 RFCD Account

Person ordinarily resident in Bangladesh may open and maintain RFCD A/C, even foreign nationals who residing in Bangladesh for more than six months.

### Assumptions to open this account

1. Foreign money received not from exporting goods or services or as commission but the residual amount in hand just after traveling from abroad.
2. To open the account within one month just after traveling from abroad.
3. Completing AOF.
4. Copy of first six pages of passport & relevant pages with departure and arrival record.
5. Photograph duly attested by the introducer.
6. Declaration of RFCD account.
7. TIN certificate.

### Non-resident Foreign Currency Deposit (NFCD)

A short-term foreign currency deposit account suitable for Bangladeshis living abroad, offering most competitive interest rates available in both local and international markets Other features include:

- Interest paid in Foreign currency
- Can be opened for a term of 1 month, 3 months, 6 months or 12 months
- Interest rates are tiered (based on amount and term)
- Interest payable on maturity & Automatically renewable (with or without interest)
- Can be used as security against personal/ commercial loan
- Remittance in both Lcy and Fcy to any place in and out of the country

## Non-Individuals

### Sole Proprietorship

A sole proprietary concern is a business carried on by an individual owner in his own name or a trade name. While lending to a sole proprietorship, the banker should take a declaration from the owner that he is the sole proprietor and no other person has any interest in the business as partner or otherwise. He should also state that he, as the sole proprietor, will be personally liable for all dealings and obligations in the name of business. It is to enclose the following documents for the purpose of account opening.

1. Copy of Trade License.
2. Photograph of Signatory.
3. Photocopy of the passport of the proprietor.
4. Sole Proprietorship Declaration.
5. It is to attach Signature Card if there are more than 4 signatories.

### Joint Account

A joint account is a bank account conducted in the name of two or more persons, who are neither partners nor administrators nor executors nor trustees. It is necessary that before opening an account in joint names, signatures of all should be obtained with clear instructions as to who will operate the account or to whom money will be payable in case of death of any one or more of the joint account holders. In case, written authority signed by all is not taken, the money is jointly payable to the survivors and legal representatives of the deceased. In case of insanity of any one of



the parties, original mandate given by them is revoked. In case all sign checks jointly and any one dies or the check is signed by a person or persons and who had been delegated the authority, the authority to operate is revoked.

A banker should obtain a clear and specific authority from the joint holders in regard to overdrawing the account, taking an advance or charging a security by one or more of them. It may be stated that a simple authority to operate on a joint account does not imply that each has the authority to pledge others' credit. Any advance must have approval from all; otherwise, only those who sign are liable. It will, therefore, be necessary for all the joint account holders to join and sign the application requesting for an advance. They should also specify how the advance account is to be operated upon and how the securities are to be delivered, whether by anyone of them or any of the survivors or the last survivor. While granting an advance to two

or more persons, the banker must get all the documents executed by all of them accepting joint and several demand promissory note. The advantages of obtaining a document with joint and several liability are the banker can proceed against all the parties or any one or more of them and can file as many suits as there are parties entirely at his discretion until he recovers his dues in full; whereas, in case of joint liability, only one suit can be filed in which all the parties have to be joined as parties to the suit and, if any party or parties is/are omitted it is not possible to institute any further suit or suits against the party or parties that has/have been omitted.

### **Club, Association, Societies, School, Colleges**

Clubs, schools, societies etc. are non-trading concerns formed for charitable, cultural, scientific, recreational, educational and similar other purposes, in the advancement of literary, scientific, cultural, educational and recreational pursuits. They do not have legal entity unless registered under the Societies Registration Act or some other Act and as such, cannot be sued for any contractual liability. Ordinarily, these instructions have no inherent powers to borrow. Bankers do not favor making advances to such instructions, because the operators of such accounts will not be personally liable for the advance made by the bankers to their accounts since the members would have entered into contracts only in their representative capacity. If

at all any advance is made to such instructions, the banker should obtain personal guarantee of the operators of such accounts and the members of the Governing Body, Executive/Managing Committee etc., in addition to the usual documents necessary therefore. Legal advice should be taken before considering such a proposal in regard to execution of documents.

Besides, the following documents are to be obtained in case of advance to club, association etc.

- a. Certified true copy of the Constitution / By-laws / Trust Deed / Memorandum and Articles of Association.
- b. Certificate of Registration of the Association / Club / Charity / Trust / Society for inspection and return (along with a duly certified photocopy for Bank's records).
- c. List of members of the Governing Body / Executive Committee of the Association / Club / Charity / Trust / Society with their addresses.
- d. Extract of Resolution of the Association / Club / Charity/ Trust / Society for opening the account and authorization for its operation duly certified by the Chairman of the Association / Club / Charity / Trust / Society etc.
- e. Photographs of Signatories. (It is to attach signature cards if there are more than 4 signatories)

## Partnership:

A partnership is the creation of a contract between persons and it is by virtue of this contract that they associate themselves with a business. Partnership as defined in section 4 of the Partnership Act. 1932 is

**“The relation between persons who have agreed to share the profits of a business carried on by all or any of them acting for all”**

The essence of a partnership is the sharing of profit; it is a compulsory element though not a conclusive evidence. The persons who have entered into partnership are individually called as 'Partner' and collectively a 'Firm' and the name under which they trade is called the 'Firm Name'.

The three essential ingredients of a partnership are as follows:

1. There must be an agreement (written, verbal, or implied) between the persons concerned.
2. The agreement must be to share the profit of a business. (Business includes every occupation, trade and profession)
3. The business must be carried on by all or by any of the person's concerned acting for all.

### Important points to note

The following acts are within the scope of authority of a partner.

1. Any one partner can open and operate the account in the name of the firm provided there are no restrictions on his authority in the partnership deed registered with the bank.
2. One partner has implied authority to draw cheques in the firm's name and the bank is justified in honoring them. Similarly, any one partner has implied authority to stop payment of a cheque drawn on the firm's account by another partner and the banker is bound to take instructions issued by that partner.
3. Any one partner can overdraw the firm's account and hypothecate or pledge the assets of the firm provided there are no restrictions on his so doing in the partnership deed duly registered with and in the knowledge of, the bank.
4. A partner may draw a cheque on the firm's account payable to him but he cannot deposit cheques payable to the firm in his personal account.

**The authority of a partner continues even after dissolution of firm for certain specific purposes, viz.**

1. For debts incurred during the course of winding up of the affairs of the firm.
2. He can validly give a discharge on property of partnership held by way of security for debts contracted by the firm during the lifetime of the deceased partner.
3. For transaction begun but unfinished at the time of death of a partner.
4. He can mortgage the property of the firm either real or personal to secure a partnership debt for purposes of winding up of the firm.

**There are certain acts which a partner cannot do without the consent of all other partners, viz.**

1. He cannot guarantee alone. It will require consent of all other partners.
2. No partner can bind other partners by executing a deed for sale or mortgage. It must have the sanction of all. He can, however, sign a Memorandum of deposit of title deeds of the firm's property as it is a document under hand and not under seal.
3. A partner cannot admit a new partner in the firm without the consent of all.
4. A partner cannot compromise in a suit without the consent of all.
5. A partner cannot submit a dispute relating to the business of the firm to arbitration. All must agree.
6. A partner cannot compromise or relinquish any claim of the firm.
7. A partner cannot withdraw a suit or proceedings filed on behalf of the firm.
8. A partner cannot admit any liability in a suit or proceedings against the firm.
9. A partner cannot admit any liability in a suit or proceedings against the firm.
10. A partner cannot acquire immovable property on behalf of the firm.
11. A partner cannot transfer immovable property acquired by the firm.

**It is to enclose the following documents for the purpose of account opening.**

1. Certified true copy of the Partnership Deed of the firm.
2. Certificate of Registration of the Firm for inspection and return (along with a duly certified photocopy for records of Bank).
3. Extract of the Resolution of the Partners of the Firm for opening the account and authorization for its operation duly certified by the Managing Partner of the Firm.
4. Copy of Trade License.
5. List of Partners with their addresses.
6. Photographs of the signatories.

Limited Company:

A company may be limited by shares or by guarantee. It may be an unlimited company. A company limited by shares is one where the liability of its members is limited to the amount, if any, unpaid on the shares held by him. In a company limited by guarantee, the members undertake to contribute to the assets of the company such amounts as they may undertake in the event of its being wound up. An unlimited liability company is a rare one, the liability of whose members is confined, not only to the amount applicable to the shares taken by them, but also they are personally liable.

### **A Joint Stock Company may be a Private Limited Company or Public Limited Company A Private Limited Company means which, by its articles**

1. limits the minimum number of its members to 2 and maximum 50, excluding its employees,
2. Restricts the right to transfer its shares.
3. Prohibits any invitation to the public to subscribe for any share or debenture of any company.
4. Can commence its business as soon as it has received the Certificate of Incorporation.
5. Must use the word "Private" as part of its name.

### **A Company which is not a Private Limited Company is a Public Limited Company In a Public Limited Company**

1. There is no limit to the maximum number of members but there should be at least 7 members to enable the company to function.
2. It raises its capital generally through public issues and, therefore, a prospectus is required to be issued.
3. Shares are transferable.



4. It cannot commence its businesses on receipt of Certificate of Incorporation until and unless Certificate of Commencement of business has been received.
5. The word "Public" is not added in its name but "Limited" is added as the last word.

**It is to enclose the following documents for the purpose of account opening.**

1. Certified true copy of the Memorandum and Articles of Association of the Company.
2. Certificate of Incorporation of the Company for inspection and return (along with a duly certified photocopy for Bank's records)
3. Extract of the Resolution of the Board/General Meeting of the Company for opening the account and authorization for its operation duly certified by the Chairman of the Company.
4. Photocopy of Passport of the Chairman / Managing Director.
5. Photographs of Signatories.
6. Certified true copy of the list of Directors of the Company (Form IX).
7. Copy of Trade License.

**NB:** Current account is for anyone who engages in frequent transactions.

### Characteristics:

- a. Noninterest bearing account.
- b. To withdraw how many times the accountholder wishes.
- c. It is for daily transaction.
- d. Over Drafts (OD) are given on the Current Account for loan facilities. Currently there is only one OD facility for individuals: Cash Line OD. For organizations, they can avail OD facility in their current account. These facilities are part of the corporate arrangement outlined in their Business Credit Application (BCA) and agreed to in their Banking Arrangement (BA) letter. Interest is applied on the utilized part of the OD facility.

- e. To provide ATM (Automated Teller Machine) card (Only for individuals but not for corporate account. In the proprietorship ATM can be issued by the name of proprietor).
- f. To provide Cheque Book.
- g. Opening balance is BDT. 50,000.00

### Facilities:

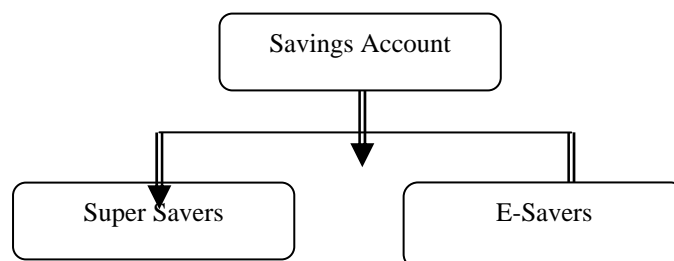
- a. No account charge if the six months average balance is BDT. 50,000
- b. No ledger fee.
- c. Free phone banking and iBanking.
- d. Transactions are totally free.
- e. ATM card and Cheque Book are delivered instantly if the customer chooses **“Welcome Account”**. But in this case ATM card and Cheque Book will be provided without the name of the account holder.
- f. Inter city transaction fee up to BDT. 1, 00,000.00 is free.

### 2.9.3 Savings Account

Only one or two person singly or jointly can open this account. Organizations are not able to open savings account. SCB launch the best feature for savings account. In this account the account holder can transaction like current account and he/ she don't have to pay for this transaction. No other bank can provide this facility yet. There are two types of savings account. One is Super savers and another one is e-savers which is more remote account. A main difference is e-savers provided A/C payee cheque book.

**NB:** It is for anyone who has willed to save money in order to get interest.

Types of Super Savings Account



## Characteristics

- Interest bearing account.
- To withdraw money any time when he/ she need by counter or ATM booth.
- It is for savings.
- To provide ATM (Automated Teller Machine) card with VISA facilities.
- To provide Cheque Book.
- Opening balance is BDT. 50,000.00

## Interest Rate

Balance Amount	Interest Rate
Balance above BDT. 15,000,000.00	5.00%
Balance BDT. 10,00,000.00 – 15,00,000.00	4.75%
Balance BDT. 5,00,000.00 – 10,00,000.00	4.50%
Balance BDT. 2,50,000.00 – 5,00,000.00	4.25%
Balance BDT. 50,000.00 – BDT. 2,50,000.00	4.00%
Balance below BDT. 50,000.00	0.00%

**Fig: Interest Rate of Savings Account.**

## 2.9.4 Fixed Deposit

When money deposited by a customer is not repayable on demand and is payable only after the expiry of a specified period from the date of deposit or after a specified period of notice, such deposit is called a Fixed Deposit.

### Repayment:

Usually advances against fixed deposit receipts are automatically adjusted on maturity from the proceeds of the deposit receipts. If, however, repayment is made before due date, the deposit receipt is returned to the customer after cancellation



of the discharge thereon. All notes of lien taken in the deposit register and ledger are also cancelled.

### Documents:

1. Demand Promissory Note.
2. The Fixed Deposit Receipt duly discharged on revenue stamp by the depositor and pledged to the bank.
3. Letter of authority duly signed by the depositor in favor of the bank to adjust the advance from the proceeds of fixed deposit on maturity for liquidation of loan or overdraft account.
4. Letter of continuity (in case of over draft only).
5. Letter of lien executed by the depositor. This generally contains the clause of set-off.
6. Letter of guarantee executed by depositor (if the deposit stands in the name of third party).

### 2.9.5 Short Term Deposit (STD Account)

Minimum Balance: Minimum required amount is BDT. 50,000.00.

Caution: If balance falls below BDT. 50,000.00, no interest will be accrued.

Interest Rate: The range of interest rate is from 2% to 3.00%.

### 2.9.6 Personal Loan

As the name indicates, a personal loan is a lump sum advance to a borrower to meet his personal requirements. The debt is repayable in installments spread over a period of time. Operations are not permitted on the loan account, as in the case of a cash credit or an overdraft account.

Personal loans are the most flexible of SCB's kind in the market. With minimum documentation and security requirements, the product offers the customer the choice of a loan for any of the following purposes.

## Purposes of Loan

1. Purchase of miscellaneous household appliances.
2. Purchase of Personal Computers.
3. Purchase of Personal Computers.
4. Purchase of Audio-video equipment.
5. Purchase of Furniture.
6. Hospitalization or other emergency medical needs.
7. House Renovation.
8. Purchase of office equipment / accessories.
9. Office renovation.
10. Marriages in the family.
11. Advance rent payments.
12. Holiday expenses.
13. Education or professional training.
14. Loan for doctors to set up clinic or clinic renovation.
15. Buying medical equipment or setting up of diagnostic centre.

## No Cash Security Required

The loan amount may range from **BDT. 1, 00,000.00** to **BDT 10, 00, 000.00** and the best news is that no cash collateral is required to obtain the loan. This means that the customers do not have to submit their fixed deposits to the bank to the bank for the period of the loan as security. Some documents from the customer's employer or the guarantee of a reputed person (as defined by the bank) will suffice.

## Repayments to suit the customer's needs

Monthly installments can be tailored to meet the customer's convenience and budget. The customer can choose to repay the loan in 12 to 60 equal monthly installments depending on the loan amount.

## Interest Rate

The rate of interest is 20.5%.

## Customer Segment

Minimum Age: Customer's age must be at least 23 years.

Maximum Age: Retirement Age less tenor of loan.

Professional Experience: Experience must have at least of 24 months.

Nationality: The applicant must be Bangladeshi.

## Minimum Monthly Income

The applicant's minimum monthly net income must be at least **BDT. 12,000.00**.

## Income Assessment

1. Salary Certificate from the employer.
2. Certificates for other sources of income.

## Minimum Loan

1. The applicant can apply for loan at least for **BDT. 75,000.00**. If the salary executive's salary comes in SCB he may apply for 10 times of his salary & in other bank for 8 times.

## Terms & Condition

### Guarantor

To get the loan Personal Guarantee (Third Party) from another person as per SCB's bank policy. The guarantor will provide his/her details in the Loan Application Form. In case of failure by the applicant, the guarantor will pay the total claimed amount within seven days. The guarantee shall be a continuous security until the amount due from the borrower and under this guarantee is fully paid.

## Repayment Method

The applicant will pay the amount as loan by Post Dated Cheques.

## Processing Fee

The applicant must pay 1% of approved loan amount with a minimum of BDT. 1000.00 Payable up – front before loan disbursal.

## Security / Collateral / Documents

1. DP Note & Letter of Continuation.
2. One undated cheque for total payment amount.
3. Post dated cheques for each monthly installment.(If account is not maintained with SCB)

## Mode of Disbursement

The amount is credited to the customer's deposit account with SCB.

## First Payment Date

Within 59 days the loan taker must pay his / her first installment.

## Maximum tenor

Loan Amount	Tenor
75K to <100K	24 months
100K to <250K	36 months
250K to <1000K	48 months

Fig: Maximum Tenor of Loan.



**Documentation required in case of employees of Corporate bodies, educational institutes, NGO, Salary a/c with SCB or other bank:**

1. Payment Voucher / Pay Slip.
2. Letter of Introduction.
3. A Personal Guarantee (as per SCB's guarantor eligibility criteria)
4. Bank statement of the last 6 – 12 months.
5. One UDC for total payment amount is required during disbursement of loan.
6. PDCs for each monthly installment (if salary a/c is not maintaining with SCB), is required during disbursement of loan.
7. One Photograph.

**Documentation required for self – employed professional and businessperson**

1. Trade License.
2. Memorandum of Articles for limited Com.
3. Form X, Form XII & Form XVII.
4. Partnership Deed for partnership business.
5. A personal guarantee.
6. Bank statement of the last 12 months.
7. PDCs for each monthly installment (if salary a/c is not maintaining with SCB), is required during disbursement of loan.
8. One UDC for total payment amount is required during disbursement of loan.
9. One Photograph.

## **2.9.7 Auto Loan**

Auto loan from SCB is a loan facility that has been custom-designed to realize the customer's dream. It lets the customer drive the customer's dream car while providing the customer the convenience of repaying the loan over a maximum period of 48 months for reconditioned vehicles and 60 months for new vehicles.



## Standard of Car

Bangladesh is a country where various classes of people live. The standard of living differs from person to person on account of earning capability. Keeping this in the mind the bank thought to offer three standards of car, so that the people can buy with their free effort. The standards of car are given below.

1. Brand new car.
2. Reconditioned car.
3. Second hand car.

### Classification of People with the Standard of Offered Car

Classification of People	Standard of Car
Higher Class People (Top level business man)	Brand New Car
Higher Middle Class People (Mid level business man + Private service holder such as Banker, Doctor, Engineer, House Rent Earner who deposited rental money in a bank etc.)	Reconditioned Car
Middle Class People	Second Hand Car

Fig: Offered Car in accordance with classes of people.

### The Offered Brand for New, Reconditioned & Second Hand Vehicle

New Vehicles	Reconditioned	Second Hand
• BMW	• Toyota	• Toyota
• Volvo	• Honda	
• Daihatsu	• Mitsubishi	
• Rover	• Nissan	
• Jaguar		
• Fiat		
• Toyota		
• Mercedes		



• Nissan		
• Mitsubishi		
• Suzuki		
• Maruti		
• Tata		
• Daewoo		

## Loan of Total Value

### In case of New & Reconditioned Vehicle

The bank will provide 80% as loan of total car value to the customer. For instance, if the market price of the car is BDT. 10, 00,000.00, the bank will provide BDT. 8, 00,000.00 (@ 80%) to the vendor & the customer will provide BDT. 2, 00,000.00 (100% - 80%) to the vendor.

### In case of Second Hand Vehicle

The bank will provide 60% as loan of total car value to the customer.

For instance, if the market price of the car is BDT. 1000000.00, the bank will provide BDT. 600000.00 (@ 60%) to the vendor & the customer will provide BDT. 400000.00 (100% - 60%) to the vendor.

## Age of Vehicle

Type Vehicle	Brand	Age
Brand New	-	Age will be determined by loan tenor
Recondition	Toyota	5 Years Maximum
	Others	
Second Hand	Toyota	

Fig: Age of Vehicle



## Price of Vehicle

For all approved loans, the car quotation must not exceed the 10 % deviation range from the standard market prices.

## Tenor of Loan

Type of Vehicle	Name of Vehicle	Tenor of Loan
Brand New	-	Minimum 1 Year Maximum 5 Years
Reconditioned	Toyota	
	Others	
Second Hand	Toyota	36 Months (3 Years)

Fig: Tenor of Loan

## Maximum Loan Amount

Type of Vehicle	Maximum Loan Amount	Security
Brand New	BDT. 20,00,000.00	20% provided by customer to the vendor plus 80% provided by SCB to the vendor.
Reconditioned	BDT. 20,00,000.00	20% provided by customer to the vendor plus 80% provided by SCB to the vendor.
Second Hand	BDT. 10,00,000.00	40% provided by customer to the vendor plus 60% provided by SCB to the vendor.

Fig: Maximum Loan Amount

## Product Specification:

Salary Account	Latest Salary Statement for
Maintaining Salary Account with SCB	3 Months
Maintaining Salary Account with other bank	6 Months
Drawing Salary in Cash	6 Months



## Security

1. In case of 100% cash security, no security is needed.
2. If it is clean loan, the customer must give UDCs equivalent to loan amount.
3. If the loan is taken against readily cashable security, the customer must give UDCs equivalent to loan amount less security value.

## Minimum Security

Minimum Security is 30% of loan amount.

## Customer's Age

Profession	Maximum Age of Loan Taker
Salaried Executive	60 Years + Maximum Tenor of Loan (5 Years) = 65 Years.
Self – employed / Businessperson	65 years at the time of loan under writing.

Fig: Age of Customer in accordance with loan tenor

## Sources of Income and Minimum Amount:

Source	Minimum Income
Primary Source	BDT. 20,000.00
Secondary Source	BDT. 10,000.00
<b>Gross Income = Primary Income + Secondary Income</b>	

Fig: Sources of Income and Minimum Amount

## Process

1. Customer.
2. Customer Bank.
3. Dealer.
4. BRTA – Registration Copy.
5. Insurance Company – Money Receipt.
6. SCB.



## 2.9.8 Cash Line

### Product Speech

“Have your cake, and eat it too.”

### What is Cash Line?

Cash line is a secured credit facility against Fixed Deposits, ICB Unit Certificates. The loan taker can borrow up to 90% of his/her/their security value and enjoy the benefits of readily available funds even as his/her/their investment continues to earn interest for him/her/them.

### When Cash Line is beside the customer/(s)?

Cash line has the right solution to the customer/(s) when he/she/they has/have an urgent need for cash that couldn't be met because his/her/their money was/were all tied up in investments.

### Flexibility

1. 90% of his/her/their security value will be provided to him/her/them as loan and credited to his/her/their deposit account. He/She/They can pay back the entire loan in equal monthly installments of 12, 24, 36, 48 or 60 months. These installments will include both interest and principal and he/she/they will be automatically debited for his/her/their deposit account each month for the term of the loan.
2. 90% of his/her/their security value will be provided to him/her/them as loan. He/She/They will only be expected to pay back interest applied on a quarterly basis on his/her/their account; the principal amount of the loan can be paid back at the end of the loan period.

3. An overdraft limit of 90% of his/her/their security value will be set in his/her/their current account. He/She/They will have the option of withdrawing as much money as you require within the limit, any time he/she/they is/are in need of funds. Interest will be charged on the amount of money he/she/they actually draws/draw, and only for the period in which he/she/they utilizes/utilize it. He/She/They is/are allowed to repay the withdrawn amount, either partially or in full, at any time

## Cash Line Facility

SCB offers two types of facility through Cash Line facility. This are-

1. Cash Line (Over Draft).
2. Cash Line (Fixed Loan).

## Literature Review on Over Draft

The overdraft is a kind of advance always allowed on a current account operated upon by checks. The customer may be sanctioned a certain limit upon which he can overdraw his current account within a stipulated period.

Sometimes in a current account overdraft is allowed for small amount to honor an important cheque without any prior arrangement thereof. Such facility by the SCB to a first class party for a short period is called **Temporary Overdraft**.

Overdraft facilities are generally granted to businessmen for expansion of their business against the securities of stock in trade, shares, debentures, Government promissory notes, fixed deposits, life policies, gold and gold ornaments etc.

In case, where the overdraft is allowed to reliable customers belonging to salaried class or traders with satisfactory account with no other security except the personal security of the borrower, it is termed as **Clean Overdraft**.



## 1. Cash Line (Over Draft)

### Minimum Amount

SCB offers BDT. 90,000.00 as the facility of OD.

### Maximum Amount

SCB offers 90% against security as OD facility under Cash Line.

### Security

SCB allows Government Bonds, Fixed Deposits, and ICB Unit Certificates as security to avail OD facility by the customer.

### Tenure

1 Year (12 Months).

### Interest Rate

The range of interest rate is from 9.25% to 12.25%.

### Interest Application

Interest is applied on quarterly basis.

### Arrangement Fees

1% of loan amount or BDT 2,000.00 Whichever is higher plus stamp fee BDT. 170.00 Or Maximum BDT. 10,000.00.

### Early Settlement Fee

Early Settlement fee is BDT. 1,000.00.

## 2. Cash Line (Fixed Loan)

### Minimum Amount

SCB offers BDT. 90,000.00 as the facility of Fixed Loan.

## Maximum Amount

SCB offers 90% against security as Fixed Loan facility under Cash Line.

## Security

SCB allows Government Bonds, Fixed Deposits, ICB Unit Certificates as security to avail Fixed Loan facility by the customer.

## Tenure

Tenure may be 1 year / 2 years / 3 years / 4 years / 5 years.

## Interest Rate

The range of interest rate is from 10.00% to 13.00%.

## Arrangement Fees:

**1%** of loan amount or **BDT 2,000.00** whichever is higher plus stamp fee **BDT. 170.00** or Maximum **BDT. 10,000.00**.

## Early Settlement Fee

Early Settlement fee is **BDT. 1,000.00**.

## Documentation provided by SCB:

1. Cash Line Application Form.
2. DP Note.
3. Letter of Continuation.
4. Letter of Lien and Set-off over Deposit Accounts.
5. Letter of Guarantee.
6. Banking Arrangement Letter.

### 2.9.9 Flexi Loan

Flexi loan from Standard Chartered is a loan facility that has been custom-designed to fit the customer's needs. It lets the customer enjoy a higher standard of living while providing the customer convenience of repaying the loan over a maximum period



of 60 months. The loan amount varies between a minimum of **BDT. 1, 00,000.00** and a maximum of **BDT. 10, 00,000.00**.

### Need to Apply

1. The applicant must be a Bangladeshi Citizen.
2. The age must be at least 23 years.
3. A salaried or self-employed individual earning BDT. 12,000.00 or more per month.
4. Maintaining a Savings Account or a Current Account with Standard Chartered Bank for at least six months or a minimum of one year with any other bank.

### Purpose of Flexi Loan

1. To renovate the house.
2. To meet the expenses of sudden medical emergency.
3. To take the family abroad for a holiday.
4. To arrange for marriage in the family.
5. To renovate the office.
6. Advance rental payments

### Flexi Security

Flexi loan offers the customer the option of choosing the amount of security that the customer wish to provide to the bank as collateral for the customers loan. The security amount may range from 30% to 100% of the amount.

### Flexi Repayment

Flexi loan allows the customer to pay back the customer's loan in monthly installments. The number of installments varies according to the amount of the loan.

Range of Loan	Tenor
BDT. 1, 00,000.00 – BDT. 4, 99,000.00	12, 24 or 36 months
BDT. 5, 00,000.00 – BDT. 10,00,000.00	Maximum 48 months

**Fig: Tenor of Loan as Loan Amount.**

Monthly payments will be automatically deducted from the customer's Savings or Current account with SCB.

## Flexi Cost

Flexi loan offers the customer some of the most competitive – and flexible – interest rates available in the market. The applicable interest rates on loan facility are-

Interest Rate	Security
13%	100%
14%	50% - 99%
15%	30% - 49%

**Fig: Rate of Interest against security.**

## Processing Fee

A processing fee of 1% of the loan amount or BDT 2,000.00, whichever is higher, is applicable on Flexi Loans. This is a one-time fee payable at the time of disbursement of loan.

## Eligibility Criterion: Salaried Executive / Govt. Employee

### Monthly Income

Minimum income must be **BDT. 12,000.00 (Gross)**

### Income Assessment

Based salary certificate / slips and bank statement (6 – 12 months)

Only fixed monthly salary is considered but variable allowances like overtime.

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“Customer Satisfaction Level At SCB; Narayangonj Branch”



Income apart from salary will be considered if it is reflected in Bank Statement.

### **Minimum Age**

The applicant's age must be at least 23 years.

### **Maximum Age**

60 years or retirement age less tenor (whichever is lower).

### **Work Experience**

Employment must be confirmed by the organization.

### **Nationality**

The applicant must be Bangladeshi.

### **Contact No**

Telephone is required at residence or personal mobile phone.

### **Location**

It must be located at cities where SCB has branch representation.

## **Eligibility Criterion: Self – Employed Professionals / Businessman**

### **Monthly Income**

Minimum income must be **BDT. 12,000.00 (Gross)**

### **Income Assessment**

Income is assessed based on Tax returns or analysis of bank statement.

### **Minimum Age**

The applicant's age must be at least 23 years.

### **Maximum Age**

60 years less tenor of loan.

### **Self Employment / Business Experience**

The businessperson must have at least 3 year's experience.

### **Relationship Criteria**

Transaction with SCB is for at least 6 and other banks for 12 months

## Nationality

The applicant must be Bangladeshi.

## Telephone

Telephone is required at residence or personal mobile phone.

## Documentation required for Salaried Executive / Govt. Employee

1. DP Note.
2. Letter of Introduction from employer.
3. Pay Slip.
4. Bank Statement for last 6 – 12 months (optional).
5. Undated Cheque for total amount (tenor x EMI).
6. Post Dated Cheques (Where customer maintains a/c with other bank).

## Documentation Required for Self – employed professionals

1. DP Note.
2. Original Certificate of professional degree.
3. Bank statement for last 6 – 12 months.
4. Tax returns of last period (Optional).
5. Undated Cheque for total amount (Tenor x EMI).
6. Post Dated Cheques (Where customer maintains a/c with other bank).

## Documentation Required for Businessman

1. DP Note.
2. Bank Statement for last 6 – 12 months.
3. Tax returns of last period (Optional).
4. Undated Cheque for total amount (Tenor x EMI).
5. Post Dated Cheques (Where customer maintains a/c with other bank).
6. Copy of Trade License.

7. Statement for 12 months in case of other bank.
8. In case of proprietorship a/c. Trade License is needed.
9. In case of Partnership a/c. Partnership Deed and Trade License are mandatory.
10. In case of Limited Company a/c. Memorandum and Article of Association are mandatory.

## Business Financial Service

SCB's business loan is the most flexible of its kind available in the market which will help the customer materialize the customer' dreams and expand his or her business.

## Customer selection criteria

1. The age of business must be greater than 3 (Three) years.
2. The business must have own / rented operating premises for at least 2 (Two) years.
3. Annual sales turnover must be greater than 6 (Six) million.
4. Annual pre-tax income must be greater than .6 million.
5. Business must be in the target market.

### a. Professionals

(Doctors, Dentists, Private Medical Clinics & Diagnostic Center, Architects, Consultants, Engineers, Surveyors)

### b. Service Companies

(Educational Institute, Travel Agency, Advertisement Firm, Shipping Agents, Transport / container mover, Clearing and forwarding agent, Gas Stations, Real Estate, Contractors, Non Profit Organization, Clubs).

### c. Private Trading Houses:

(**Supply Chain** – Distributors & Suppliers of MNC/LLC; **Importer** – Food and Grain, Dyes & Chemicals, Milk, Powder, Motor Parts, Bi – Cycle Parts, Motor car, Electrical & Electronic Goods, Hardware and machinery, Poultry feed, Garments Accessories, Construction Materials,

Water pump and generator, Cotton Yarn, Seed Distributor, Steel Sheet, Jewelry, Edible Oil & Crude Oil; **Retail & Whole Seller** – Retailer of readymade garment and boutiques, Restaurant & Fast Food, Super Market, Stationary Items, Furniture and wood seller, Drug and Medicine, Scarp – shipping)

#### d. Small Manufacturing Companies

(Packaging, Flour Mills, Suppliers to MNC / LLC, Printing and Publishing, Garments accessories, Furniture, Pharmaceuticals.)

6. Local NGOs.
7. Private School / College & University.

### Loan Span

Maximum loan amount is up to BDT. 50, 00,000.00.

### Security

Only 50% security is required for huge business investment.

### Products under BFS

There are four products under BFS. The products are given below.

1. Secured Over Draft (SOD).
2. Installment Loan (IL).
3. Letter of Credit (LC).
4. Guarantee.

The products are discussed below one by one.

#### 1. Secured Over Draft

Overdraft is a line of credit where the customer can get instant credit to support the business's working capital requirement. Interest is accrued on the utilization of the given line / limit.

## Loan Documentation Provided by SCB

- a. Application Form duly completed and signed.
- b. Copy of Banking Arrangement Letter duly signed by customer.
- c. Limit application.
- d. Demand Promissory Note and Letter of Continuation.
- e. Memorandum of Deposit over moveable asset.
- f. Letter of lien and set-off over deposit account.
- g. Letter of Guarantee.
- h. CIB report.
- i. ICB unit certificate / WED Bond

## How to Delivery

1. Approval of SOD after credit analysis.
2. Setting OD Limit in the customers Transactional Account (Current Account) by **Asset Ops**. If there is no C/A, the customer will open a C/A in SCB (in any branch) at zero balance.

## Interest Rate

The range of interest rate against Overdraft is from 9.25% to 12.25%.

## Penal Interest

24% on the Overdue Amount

## Arrangement Fee

1% of facility amount or BDT 10000.00 Whichever is higher

## 2. Installment Loan

BFS IL is a partially secured loan facility given to any business concern for any legitimate purpose. The loan can be either partially secured or fully secured. The security for the loan must be in a readily excusable form. IL is one of the oldest form of banking products, where the bank lends the customer a principal fund and the customer pays off the loan (Principal + Interest) periodically (i.e. monthly). This periodical (Monthly) payment to set off the loan is called EMI (Equal Monthly Installment)

### Why this loan is needed?

- a. To meet up the long term working capital.
- b. For plant and machinery.
- c. To expand the business.
- d. To renovate the office.

### Security and Tenor of Loan Based on Loan Type:

Type	Coverage of Security	Tenor <= 3 Years	Tenor > 3 Years
A	100%	11.50%	11.50%
B	50% to 99%	14.00%	15.00%
C	30% to 49%	14.50%	16.00%

Fig: Security and Tenor of Loan Based on Loan Type

### How much facility can be provided?

Facility	Amount
Minimum Facility	BDT. 5 Lacs. (.5 Million)
Maximum Facility	BDT. 50 Lacs. (5 Million)

Fig: Loan Facility as amount.





## Tenor against Loan Amount

Loan Limit	Tenor
5 Lacs to 20 Lacs	36 Months
20 Lacs to 50 Lacs	60 Months

Fig: Tenor against Loan Amount

## Loan Documentation Provided by SCB

- a. Complete BFS Facility Application Form.
- b. Banking Arrangement Letter.
- c. CIB undertaking.
- d. DP Note.
- e. Letter of Continuation.
- f. Letter of Lien and Set-off over Deposit A/c.
- g. Letter of Guarantee.
- h. Memorandum of Deposits of Movable Assets as Securities.
- i. Verification Report.
- j. Post Dated Cheque.
- k. Standing Order.
- l. Price Quotation of the Plant / Machinery to be purchased.



## Loan Documentation Provided by Customer for four types of products under BFS

Documentation	Proprietorship	Partnership	Private
TIN Certificate	Y	Y	Y
Trade License	Y	Y	Y
Partnership Deed	N/A	Y	N/A
Memorandum & Article of Incorporation.	N/A	N/A	Y
Certificate of Incorporation.	N/A	N/A	Y
Board Resolution.	N/A	Y	Y
Undated Cheque	Y	Y	Y
Securities	If Applicable	If Applicable	If Applicable
Price Quotation of the Plant/Machinery	If Applicable	If Applicable	If Applicable

Fig: Document of loan provided by customer

### Method of Repayment

The customer can repay the loan by following any one of two methods.

1. Standing Instruction.
2. Post Dated Cheques (PDC).

#### 1. Standing Instruction

In this case, the customer for repayment of loan must give a Debit Authorization to bank. Debit authorization can only be given in case of installment loan. The bank will debit from the customer's account for particular months on a specific day and this specific equal amount must be credited in loan account number.



## 2. Post Dated Cheques

The customer may repay the loan by providing a number of **PDCs** equal to the no. installment of the loan. The time span (Date) written on each cheque must be equal. For example,

Cheque No.	Date on Cheque (Assumed)	Amount (Assumed)
1.	15-01-2009	BDT. 8,862.00
2.	15-02-2009	BDT. 8,862.00
3.	15-03-2009	BDT. 8,862.00
4.	15-04-2009	BDT. 8,862.00
5.	15-05-2009	BDT. 8,862.00
6.	15-06-2009	BDT. 8,862.00
7.	15-07-2009	BDT. 8,862.00
8.	15-08-2009	BDT. 8,862.00
9.	15-09-2009	BDT. 8,862.00
10.	15-10-2009	BDT. 8,862.00
11.	15-11-2009	BDT. 8,862.00
12.	15-12-2009	BDT. 8,862.00
<b>Total Repaying Amount (@ 11.5%)</b>		<b>BDT. 1,06,344.00</b>

Fig: The no. of PDCs against total loan amount.

### How to delivery?

#### In case of Working Capital / Office Premises Renovation:

Checking the documents by credit division.

- a. Approving the loan.
- b. Disbursing the loan amount from asset ops.
- c. Credited to account holder's business account.



## In case of Purchasing Plant and Machinery / Expanding Business

- a. Checking the documents by credit division.
- b. Approving the loan.
- c. Disbursing the loan amount from asset ops.
- d. Giving Pay order to the vendor.

### 3. Letter of Credit

L/C is a financial instrument through which a bank (issuing bank) on behalf of a party (importer) to make payments to another party (exporter) on account of legitimate exchange of services or goods delivered within an agreed time frame and as per the specified contract.

Standard Chartered Bank only provides **Import L/C** facility to the customer.

### Documentation Provided by SCB

1. Complete BFS application Form.
2. Banking Arrangement Letter.
3. CIB Undertaking.
4. DP Note.
5. Letter of Continuation.
6. Letter of Lien and Set – Off over deposit A/c (For FDR)
7. Letter of Guarantee.
8. Memorandum of Deposit of Movable Assets as Securities.

NB: First five documents are sufficient if the L/C is against 100% + Cash Margin.

## Additional Documentation from the Customer for Trade Division

1. Original Copy of IRC (Import Registration Certificate).
2. Original Copy of TIN.
3. Original Copy of VAT Certificate.
4. Income tax declaration from the applicant for last year's tax assessment on its letterhead pad in three copies.
5. Copy of Valid Chamber Certification for membership or Membership Certificate of any relevant association and valid trade license.
6. Agreement and Indemnity for opening L/C. The form will be provided by SCB.
7. Letters of Credit application form duly filled in. The form will be provided by SCB.
8. IMP Form.
9. Pro-forma Invoice.
10. Insurance Cover Note / Policy along with:
  - a. Money Receipt for payment of premium and VAT.
  - b. Photocopy of P.O. / DD issued for payment of insurance premium and VAT.
  - c. PO / DD issuing bank's certificate.
  - d. Form "GA."
11. IOF properly filled by the applicant.

## Documentation for RMG Sector businesses

1. Valid Bonded Ware House License (Applicable for Back to Back Letter of Credit and import under bonded ware house facility.)
2. BOI Permission (Applicable for New Industrial Unit).
3. BOI Allocation Letter.
4. BOI Allocation Letter (If applicable for import by industrial Unit)

## How to Delivery?

1. Asset Ops. will set the L/C limit in the customer's L/C Account, which is a non-transactional A/c. upon approval of the L/C facility.
2. In SCB customer must have a C/A.
3. After having the L/C limit set in the system the customer must apply for the L/C issuance to Trade.
4. After submitting L/C application form Trade will prepare the L/C and deliver it to the Exporter's Bank (Advising Bank) by SWIFT or Courier.

## Commission & Fees

- ❑ 1<sup>st</sup> quarter - .4% of the L/C Amount.
  - ❑ Subsequent quarter - .3% of the L/C Amount.
- The importer must pay .5% of facility amount as fee.

## Guarantee

Guarantee is a financial instrument through which a Bank assures a party on behalf of the applicant to make necessary payments in case of failure to perform a contractual obligation on part of the applicant.

## Type of Guarantee

SCB mostly deals with three general types of guarantees. The guarantees are-

1. Bid Bond (Tender Bond).
2. Performance Guarantee / Bond.
3. Payment Guarantee.

# Chapter 3

# Job Description

## 3.0 Job Description

### 3.1 General Responsibilities

Responsible for performing a variety of duties to support the customer service function of a community office; coordinating work within the department, as well as with other departments; reporting pertinent information to the immediate supervisor; responding to inquiries or requests for information.

### 3.2 Essential Duties

- 1) Performs a variety of duties to support the customer service function of a community office of which the following are illustrative:
  - ✓ IQMS (Intelligence Queue Management System) – greeting, guide the customer, preliminary solution,
  - ✓ Completes the documentation and performs point-of-sale processing on all types of new accounts, e.g., Savings, current, fixed deposits, etc.
  - ✓ Provides support to office customer service personnel engaged in establishing quantitative customer service and sales objectives on an annual basis as warranted; this activity to be integrated with the office's annual marketing/sales plan.
  - ✓ Provides assistance, as requested, to office customer service personnel involved in soliciting new business from present and prospective customers; maintains ongoing business relationships with present customers in order to take advantage of additional cross-selling opportunities.
  - ✓ Provides customer service information on a timely basis in order that this information may be included as part of monthly and year-to-date performance reports.
  - ✓ Serves as a member of the office sales team.





- ✓ Maintains a thorough knowledge of the features and benefits of all bank products and services in order to ascertain customer needs and to participate in selling in conjunction with these needs.
  - ✓ Interview customers to determine and analyze financial needs.
  - ✓ Provides direct service to customers of the Bank with respect to deposit products and services; supplies pertinent information on other products and services, e.g., loans, trust, etc., as needed.
  - ✓ Assists customers in obtaining specialized services from other bank departments as necessary; provides help to customers with specific inquiries or service problems.
  - ✓ Maintains an awareness of new business opportunities with customers; actively refers customers to appropriate customer service personnel as warranted when these opportunities are available.
  - ✓ Assists with facility management as needed, including security, opening, and closing procedures.
  - ✓ Assists with job training, including mentoring and coaching customer service staff as needed.
  - ✓ Performs safe deposit box duties as needed.
  - ✓ Performs other related duties as assigned by my on-site supervisor.
- 2) Coordinates specific work tasks with other personnel within the department as well as with other departments in order to ensure the smooth and efficient flow of information.
- 3) Abides by the current laws and organizational policies and procedures designed and implemented to promote an environment which is free of harassment and other forms of illegal discriminatory behavior in the work place.
- 4) Cooperates with, participates in, and supports the adherence to all internal policies, procedures, and practices in support of risk management and



overall safety and soundness and the Bank's compliance with all regulatory requirements, etc.

- 5) Reports pertinent information to the immediate supervisor as requested, or according to an established schedule; compiles information as necessary or as directed and provides data to appropriate bank personnel.
- 6) Responds to inquiries relating to his/her particular area, or to requests from customers, other bank personnel, etc., within given time frames and within established policy.
- 7) Performs duties of Customer Service Representative as needed

### 3.3 Ancillary Duties

Performs tasks which are supportive in nature to the essential functions of the job, but which may be altered or re-designed depending upon individual circumstances.

### 3.4 Critical Observations

During my intern period, I found some problem. Firstly, in Narayangonj Branch, there are few employees so one employee has to serve huge volume of customers. SCB charges are really very high, there is a barrier in maintain balance. e-savers account offers account payee cheque, Mandatory debit card which has higher charges, Barrier of withdrawing money BDT 50,000/= per day, Call centre has poor quality, SCB's courier service is not very effective, they provide some times very slow service for example, a new account opening takes minimum one whole day. Slow communication even after online support, to collect a cheque book, customer has to come at branch, ATM booth are not sufficient,

# Chapter 4

## Literature Review

## 4.0 Linking Customer Satisfaction with Productivity and Performance

From **CORPORATE LEADERSHIP COUNCIL** - [www.corporateleadershipcouncil.com](http://www.corporateleadershipcouncil.com)

### 4.1 ESTABLISHING THE LINK: SEMINAL RESEARCH AND OTHER STUDIES

Research aimed at quantifying the links between employee satisfaction and customer satisfaction, productivity, and financial performance began in 1980 with Benjamin Schneider's survey of satisfaction levels of bank customers and employees. - Robert M. Tobias, "Survey Provides Map to Better Service," *Government Executive* (February 2000)

Studies such as Frederick Reichheld's "The Loyalty Effect," (1996) and James Heskett, W. Early Sasser, and Leonard Schlesinger's "The Service Profit Chain" (1997) produced the first sets of hard data quantifying these links. Both studies conclude that there are direct and quantifiable links between customer service variables (such as satisfaction and loyalty), employee variables (such as satisfaction, enthusiasm, loyalty, commitment, capability, and internal service quality), and financial results. - Katherine J. Sweetman, "Employee Loyalty Around the Globe," *Sloan Management Review* (January 2001) and Randy Brooks, "Why Loyal Employees and Customers Improve the Bottom Line," *Journal for Quality & Participation* (March 2000).

In 1997, Development Dimensions International (DDI) conducted focus groups, customer interviews, literature reviews, and surveys to determine drivers of an effective service environment. DDI found evidence of a circular relationship between employee satisfaction and retention, and customer satisfaction and loyalty, and increases in company profitability. In addition, employee satisfaction was strongly related to employee commitment and loyalty, and both measures have proven relationships to retention and productivity. - Author Unknown, "An Effective Service Environment," *Managers Handbook* (May 1997)

In "The Service Profit Chain" (1997), the authors proposed a model that workforce capability, satisfaction, and loyalty would lead to customers' perceptions of value. Value perception would lead to customer satisfaction and loyalty, which would lead to profits and growth. The study found that employees' perceptions of their capabilities, satisfaction, and length-of-service were correlated with customer satisfaction. - Daniel J. Koys, "The Effects of Employee Satisfaction, Organizational Citizenship Behavior, and Turnover on Organizational Effectiveness: A Unit-Level, Longitudinal Study," *Personnel Psychology* (April 2001)

Dr. Thomas Rollins of the Hay Group developed a model linking employee opinion survey results directly with business performance metrics while excluding customer satisfaction measures. Main findings include the following: Corporate Leadership Council, *Utilizing Employee Opinion Surveys to Improve Business Performance*, Washington: Corporate Executive Board (March 1998)

- This model holds that company-wide employee satisfaction results affect business unit employee satisfaction results, which affect business unit financial results, which in turn affect company-wide financial metrics.
- However, the model also holds that the company-wide financial metrics may also affect company-wide employee satisfaction results, allowing the model to demonstrate correlation, but not causation between the different areas considered.

#### 4.2 ESTABLISHING THE LINK: RECENT STUDIES

*Gallup* reports that highly satisfied groups of employees often exhibit above-average levels of the following characteristics:

- Customer loyalty (56 percent)
- Productivity (50 percent)
- Employee retention (50 percent)

- Safety records (50 percent)
- Profitability (33 percent)

A *Watson Wyatt Worldwide* study found that the practice of maintaining a collegial, flexible workplace is associated with the second-largest increase in shareholder value (nine percent), suggesting that employee satisfaction is directly related to financial gain. - Bruce Pfau and Ira Kay, "The Hidden Human Resource: Shareholder Value—Finding The Right Blend of Rewards, Flexibility, and Technology to Manage Your People Adds Measurable Value to the Corporate Bottom Line." *Optimize* (June 2002); Author Unknown, "Human Capital Index: Human Capital As a Lead Indicator of Shareholder Value." *Watson Wyatt Worldwide*. (Available through [www.watsonwyatt.com](http://www.watsonwyatt.com)) [Accessed 8 September 2002]. ; 10 Author Unknown, "Which HR Practices Have Biggest Impact On The Bottom Line?" *Human Resource Department Management Report* (February 2002).

#### 4.3 ESTABLISHING THE LINK: RECENT STUDIES (CONTINUED)

Over 40 percent of the companies listed in the top 100 of *Fortune* magazine's "America's Best Companies to Work For" also appear on the *Fortune 500*. While it is possible that employees enjoy working at these organizations because they are successful, the *Watson Wyatt Worldwide* Human Capital Index study suggests that effective human resources practices lead to positive financial outcomes more often than positive financial outcomes lead to good practices. - Author Unknown, "America's Top Employers," *Fortune* (2002). (Available through [www.fortune.com](http://www.fortune.com)) [Accessed 8 September 2002]; Bruce Pfau and Ira Kay, "The Hidden Human Resource: Shareholder Value—Finding The Right Blend of Rewards, Flexibility, and Technology to Manage Your People Adds Measurable Value to the Corporate Bottom Line,"

The issue of causation—did the increases in employee satisfaction cause the increase in customer satisfaction, productivity or profitability, or vice versa—is not often addressed in research. However, a 2001 study published in *Personnel Psychology* examined whether positive employee behaviors and attitudes influence

business outcomes or if the opposite, that positive business outcomes influence employee behavior, is true. Study findings include the following: - Daniel J. Koys, "The Effects of Employee Satisfaction, Organizational Citizenship Behavior, and Turnover on Organizational Effectiveness: A Unit-Level, Longitudinal Study."

- The study broke down employee attitudes and satisfaction into five measurable employee behaviors: conscientiousness, altruism, civic virtue, sportsmanship, and courtesy. The study measured participants in the five categories, reviewed turnover rates within the participant population, and compared this data with the organizations' financial performance for the following year.
- Findings support the idea that employee satisfaction, behavior, and turnover predict the following year's profitability, and that these aspects have an even stronger correlation with customer satisfaction.

*Price Waterhouse Coopers* reported in April of 2002 that 47 percent of surveyed executives from multinational companies cite employee satisfaction and decreased turnover as major contributors to long-term shareholder return.

Other studies indicate that companies found the following from their efforts to study the links between employee satisfaction, customer satisfaction, productivity, and financial performance: - Baxter W. Graham, "The Business Argument for Flexibility," *HRMagazine* (May 1996); Peter Lucas, "Collaboration on Deadline," *Knowledge Management* (May 2001). (Obtained through Factiva); Ruth Davidhizar and Ruth Shearer, "Rewarding with Dignity," *Hospital Materiel Management Quarterly* (November 1998); Dory Devlin, "Nothing's A Sure Bet in A Changing Workplace," *The Star-Ledger* (12 July 1999)

- Unhappy employees are less productive and more likely to have higher absence rates
- Satisfied employees are more productive, innovative, and loyal

- Increases in job satisfaction lead to increases in employee morale, which lead to increased employee productivity
- Employee satisfaction leads to customer retention

#### 4.4 CRITICISM OF MODELS LINKING EMPLOYEE SATISFACTION TO PERFORMANCE

While companies with the strongest financial performances often had employee populations reporting high levels of employee satisfaction, companies with poor financial performance also had high levels of employee satisfaction. - Linda Grant, "Happy Workers, High Returns: Investors and CEOs Take Note: Our Ranking Reveals that High Morale and Outstanding Performance Emphatically Go Together. But Which Causes Which?" *Fortune Magazine* (January 1998).

Companies must build their own models because customer satisfaction is only one variable in understanding the relationship between employee satisfaction, customer satisfaction, and financial performance. Moreover, each company must determine how it defines employee satisfaction and customer satisfaction, which can even differ between departments and business units within one company. - Dan Lockhard and Jeff Ellis, "Happy Workers, High Returns? It's More Complex," *Marketing News* (May 1998)

Employee attitudes cannot influence organizational effectiveness on their own, as employees must also behave appropriately—a factor which is not included in the available models. - Katherine J. Sweetman, "Employee Loyalty Around the Globe."

#### 4.5 SHIFTS TOWARD LINKING EMPLOYEE COMMITMENT/ENGAGEMENT TO PERFORMANCE

Recent research indicates that employee satisfaction does not necessarily contribute directly to productivity. Satisfaction may be viewed as a passive attribute, while more proactive measures such as motivation levels and brand engagement are viewed as more closely linked to behavioral change, performance, and, ultimately, to bottom line performance. The following research illustrates this point: -

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"Customer Satisfaction Level At SCB; Narayangonj Branch"





Sue Hayday, "Staff Commitment is the Key to an Improved Performance," *Personnel Today* (10 June 2003); Stefan Stern, "Is Job Satisfaction a Good Measure of Staff Effectiveness?" *Human Resources* (19 June 2003)

- According to 2003 Institute for Employment Studies research, employee commitment had a higher correlation to customer satisfaction than employee satisfaction.
- Of note is that employee commitment had twice the impact of employee satisfaction on customers' future spending intentions: a one-point increase in employee commitment led to a monthly increase of \$200,000 in sales per store and reduced absenteeism.

Employee productivity depends on the amount of time an individual is physically present at a job and also the degree to which he or she is "mentally present" or efficiently functioning while present at a job. Companies must address both of these issues in order to maintain high worker productivity, and this may occur through a variety of strategies that focus on employee satisfaction, health, and morale. - Ron Goetzel and Ronald Ozminkowski, "Health Productivity Management Assists Benefits Business Strategy," *Employee Benefit News* (Date Unknown). (Available through [www.benefitsnews.com](http://www.benefitsnews.com)) [Accessed 6 September 2002]

#### 4.6 COMPANIES' PRACTICES IN MEASURING THE LINKS

Sears used an "employee-customer-profit chain" to analyze aggregated data from 800 stores, finding that employee attitudes towards their company and their jobs lead to positive employee behaviors toward customers. Sears found that a five percent increase in employee satisfaction drives a 1.3 percent in customer satisfaction, which results in 0.5 percent increase in revenue growth. - Daniel J. Koys, "The Effects of Employee Satisfaction, Organizational Citizenship Behavior, and Turnover on

Organizational Effectiveness: A Unit-Level, Longitudinal Study."; Corporate Leadership Council, *Utilizing Employee Opinion Surveys to Improve Business Performance*; Anthony Rucci, Steven P. Kirn, and Richard T. Quinn, "The Employee-

Customer-Profit Chain at Sears," *Harvard Business Review* (January-February 1998); Jonathan Low and Pam Cohen Kalafut, "Managing Intangibles," *Executive Excellence* (August 2002)

Between 40 and 80 percent of customer satisfaction and loyalty is determined by the customer-employee relationship, depending upon the industry and market segment. At Sears, employee satisfaction accounts for 60 to 80 percent of customer satisfaction. At the Royal Bank of Canada, 40 percent of the difference in how customers view its services can be linked directly to their relationship with bank staff. - Randy Brooks, "Why Loyal Employees and Customers Improve the Bottom Line.

PNC Bank Corporation found an 84 percent correlation between branches and their levels of customer satisfaction and employee satisfaction. - Author Unknown, "Happy Employees Key to Success: Evidence Linking Customer Satisfaction with Employee Satisfaction Has Been Provided by PNC Bank's Exec VP Susan B. Bohn," *Bank Advertising News* (April 1996); Michael J. McDermott, "Satisfaction Guaranteed," *Chief Executive* (February 2001)

Nortel Networks tracked customer and employee attitudes in annual surveys. After working on some of the key issues identified as having negative effects upon employee satisfaction, customer satisfaction rates jumped higher. Nortel holds that it has conclusive evidence from such research that improving employee satisfaction will increase customer satisfaction and, in turn, improve financial results. - Sue Shellenbarger, "Companies See Worker Attitudes Affect Profits," *The Arizona Republic* (23 July 1998)

Sun Microsystems utilizes a service-profit-chain model that reveals that the company's employee commitment, customer loyalty, and financial results are inextricably related. There exists a strong link between the likelihood that employees will recommend Sun as a place to work and the likelihood that customers will recommend it as a place to do business. Sun's employee satisfaction survey methods include the following components: - Sue Shellenbarger, "Surveys Link Satisfaction of Employees, Customers," *Wall Street Journal* (25 January 1999).

- Sun polls its workers monthly via e-mail on performance inhibitors and employee satisfaction.
- The result is what Sun calls an “employee quality index,” which figures into Sun’s quality initiative to gauge customer loyalty.

#### 4.7 COMPANIES’ PRACTICES IN MEASURING THE LINKS (CONTINUED)

ACNielsen utilizes a similar model and states that it finds that when employee satisfaction rises, financial results soon improve. However, the company goes further to tie managers’ bonuses to employee satisfaction scores within their business units. - Sue Shellenbarger, “Surveys Link Satisfaction of Employees, Customers.

Monsanto conducted a set of baseline surveys on customer and employee satisfaction which revealed that employees’ satisfaction with their work-life balance was one of two strongest predictors of customer satisfaction. The other factor was employees’ general satisfaction with their jobs. - Sue Shellenbarger, “Surveys Link Satisfaction of Employees, Customers.

CVS Corporation surveys both employees and customers to measure their satisfaction indicators on a scale of one to five as part of its service-profit model. As a result of one of its service-profit chain initiatives, the company created a scorecard outlining internal service quality goals for each department and how it is performing against the stated targets. Within twelve months of launching the program in 2000, performance has improved within these departments by approximately 30 percent. - Author Unknown, “CVS Gears ‘Service-Profit-Chain’ to the Customer,” Chain Drug Review (December 2000)

Just Born experienced a 48 percent decrease in turnover rate (from 50 to two percent) after developing an employee-focused culture that has been communicated to and embraced by employees at all levels of this Pennsylvania candy company. - Author Unknown, “How One Company Profits From Its ‘Sweeter’ Corporate Culture,” (August 2002)

# Chapter 5

# Project

## 5.0 Project Description

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, here it is mandatory to satisfy its customers. SCB is a multinational bank with a very good reputation. It's always tried to provide better service to its customer. But it is not possible to any one or any organization to satisfy the entire customer. If SCB provide best service to its customer, there will be some people who will be not satisfied at all. Not only that, customer satisfaction level might be changed day by day. In my intern period I observe that one customers choice, his/her opinion, feelings about SCB products, behaviors are different from other customers, satisfaction level is also vary from others. To run business successfully, every organization must measured its customer's satisfaction level. In SCB, I have to meet many customers in a day. Some of them are happy with SCB but some of them are totally disappointed with SCB. To understand this situation more clear I choice this customer's satisfaction level as my intern project. To measure this satisfaction level, I asked some fixed question to 50 different customers who visited SCB, Narayangonj Branch frequently. (Questioner is attaching in appendix). I divided my questioner in some criteria, like SCB product, Employees behavior, Charges, Loan facilities etc. Two types of customers are visiting SCB most. One for transaction and another for account service. I choose randomly my samples for my survey. In my target customers, some of them are businessman, some people are service holder, some of them are house wife or student etc. After completing my survey, I analyzed those data by using graph and have found a result.

## Customer Service

For understanding the quality of customer services of Standard Chartered Bank I have collected opinions from the customers.

Standard Chartered follows modernize services for attracting more customers. They have launch 24 hours telephone banking by which customers can easily inform

about their current balance and others account related information. They launched internet banking i.e. iBanking and SMS Banking in Bangladesh by which one customer can access his/her account by sitting inside the house through internet/mobile which is totally cost free. These are the three special features of SCB for capturing more customers.

Commercial banks, in general, render certain services to their customers. It is expected that better service will bring more business for the concern. It is intended to estimate the level of satisfaction and to compare customer satisfaction level with bank executives' perception about the level of satisfaction of customers. Usually customer want to get maximum service from a bank and the bank officers also want to provide maximum customer satisfaction. In this connection I collect customers' opinion through customers quarry. Total numbers of respondents were 50 for this part.

## 5.1 Opinion of General Customers

### 5.1.1 Timing of Visiting the Bank

For knowing the customers visiting times in the bank I asked fifty customers of SCB in Narayangonj Branch "How often do you visit our bank in a month?" {See Appendix} and their opinion are given in the following formation.

**Table # 1: Visiting the time of the customers in a month**

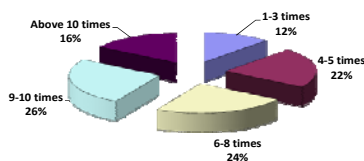
Factors	Responses	Percentage of Responses	Rank
1-3 times	6	12%	5
4-5 times	11	22%	3
6-8 times	12	24%	2
9-10 times	13	26%	1
Above 10 times	8	16%	4



Table # 1 demonstrates that in case of Standard Chartered Bank’s customers, they visit the branch more than one time in a month. In my report in this part total numbers of respondents are 50. 26% of the total respondents told me that they visit

the branch 9-10 times in a month. Most of them are businessmen. 24% visit the branch 6-8 times, 22% visit the branch 4-5 times in a month. Narayangonj is a commercial area that’s why I had the opportunity to meet various types of business men who are doing their business transactions with SCB. 16% of this type customers said, they visit the branch more than 10 times in a month. It may be 20-22 times in a month. Only 12% of the customers visit the branch 1-3 times in a month who transact with their personal account.

The graphical representation of the above information are given below-



**Chart 1: Time of visiting Bank**

### 5.1.2 Percentage of Respondents to get the Services

In this part I asked to the customers for the visiting purpose of the bank. And my question was “For which purpose do you visit our bank mostly?” {See Appendix}. Their answers in summarized format are given below.

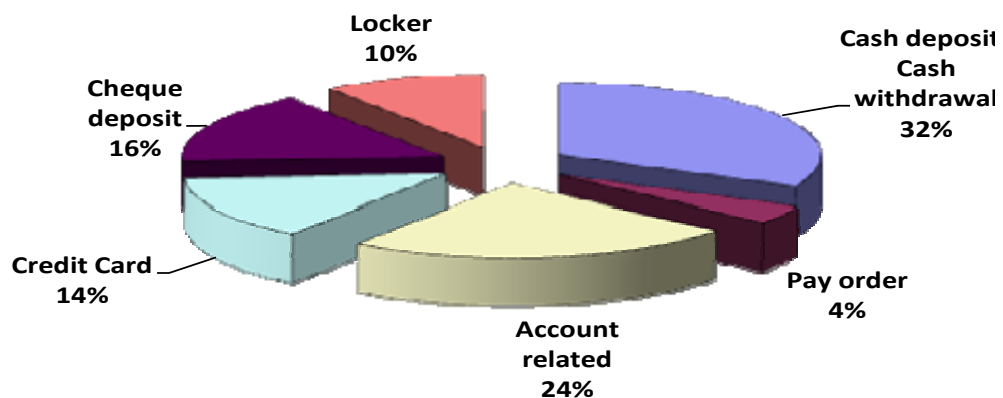


**Table # 2: Services taking by the customers**

Factors	Responses	Percentage of Responses	Rank
Cash deposit/ Cash withdrawal	16	32%	1
Pay order	2	4%	6
Account related	12	24%	2
Credit Card	7	14%	3
Cheque deposit	8	16%	4
Locker	5	10%	5

Table # 2 shows that most of the customers visit the branch for cash deposit and cash withdrawal. 28% of the total respondents told that they visit the bank for the purpose of cash deposit and cash withdrawal. And the rest of the customers visit the bank for Account Related, Pay Order, Credit Card, locker and their percentage of respondents are 20%, 16%, 14%, 12% and 10% respectively.

The graphical representation of the above information are given below-



**Chart: 2 Percentage of respondents to get the service**

### 5.1.3 Preference for banking with the Bank



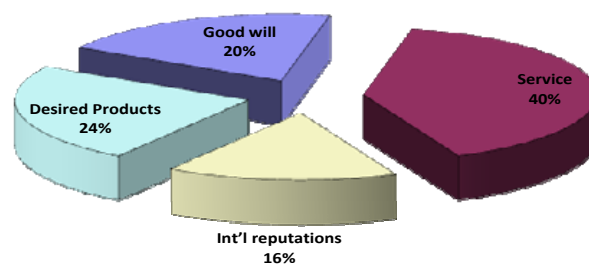


Many foreign banks are playing important role in the banking sector in Bangladesh. But most of solvent persons maintain their banking transactions with SCB. I asked them “Why do you prefer to do banking with us {See Appendix} and their answers are in the following summarized form.

**Table # 3: Customers’ opinion for banking with SCB**

Factors	Responses	Percentage of Responses	Rank
Good will	10	20%	3
Service	20	40%	1
Int’l reputations	8	16%	4
Desired Products	12	24%	2

Bank’s interest is to know the customer’s preference for banking with the bank. For this purpose, the customers of the bank were asked about their preference for banking with Standard Chartered Bank. Table # 3 shows that 40% of the total respondents are banking with SCB for their better services. Others said for desired products, good will, and Int’l Reputation which are shown in the above table. The graphical representation of the above information are given below-



**Chart: 3 Reasons for Choosing the Bank**



### 5.1.4 Reasons for choosing the Narayangonj Branch

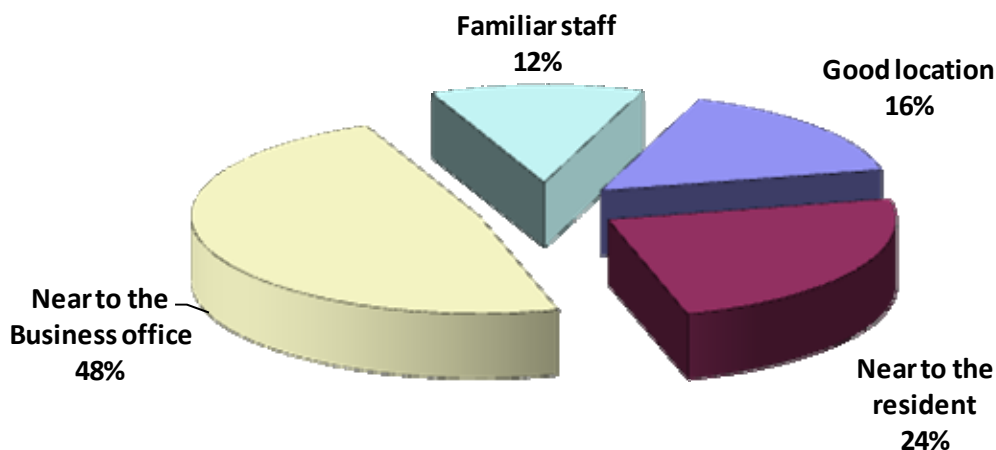
It is of interest to know the customers' preferences for banking with branch. The customers were asked about their preference for banking especially with the Narayangonj Branch. The question was "Why do you prefer Narayangonj Branch for banking?" {See Appendix}

**Table # 4: Customers choice of Branch Location**

Factors	Responses	Percentage of Responses	Rank
Good location	8	16%	3
Near to the resident	12	24%	2
Near to the Business office	24	48%	1
Familiar staff	6	12%	3

Table # 4 shows that 48% of the customers prefer to the branch for banking because of its good location. Others i.e. 24%, 16%, and 12% told me the reason to choose the branch for near to the business office, near to the resident and familiar staff.

The graphical representation of the above information are given below-



**Chart: 4 Reasons for choosing the Branch**



### 5.1.5 Customers' Opinion about Bank's Service

To know the bank services to provide the customers by SCB I asked several questions to fifty customers. The questions were "Your opinion about our IQMS (Intelligent Queue Management System)?; Are our Brochures helping you to understand the features of the Products and Services?, Your opinion about our service charges?, Your opinion about our overall Banking System?, How would you rank our parking system? For security purpose your mobile been kept in the front door. How do you feel about this system?, Your opinion about our overall banking environment? " {See Appendix} Their answers are given below in percentage.

**Table # 5: Customers' opinion about the Bank Service**

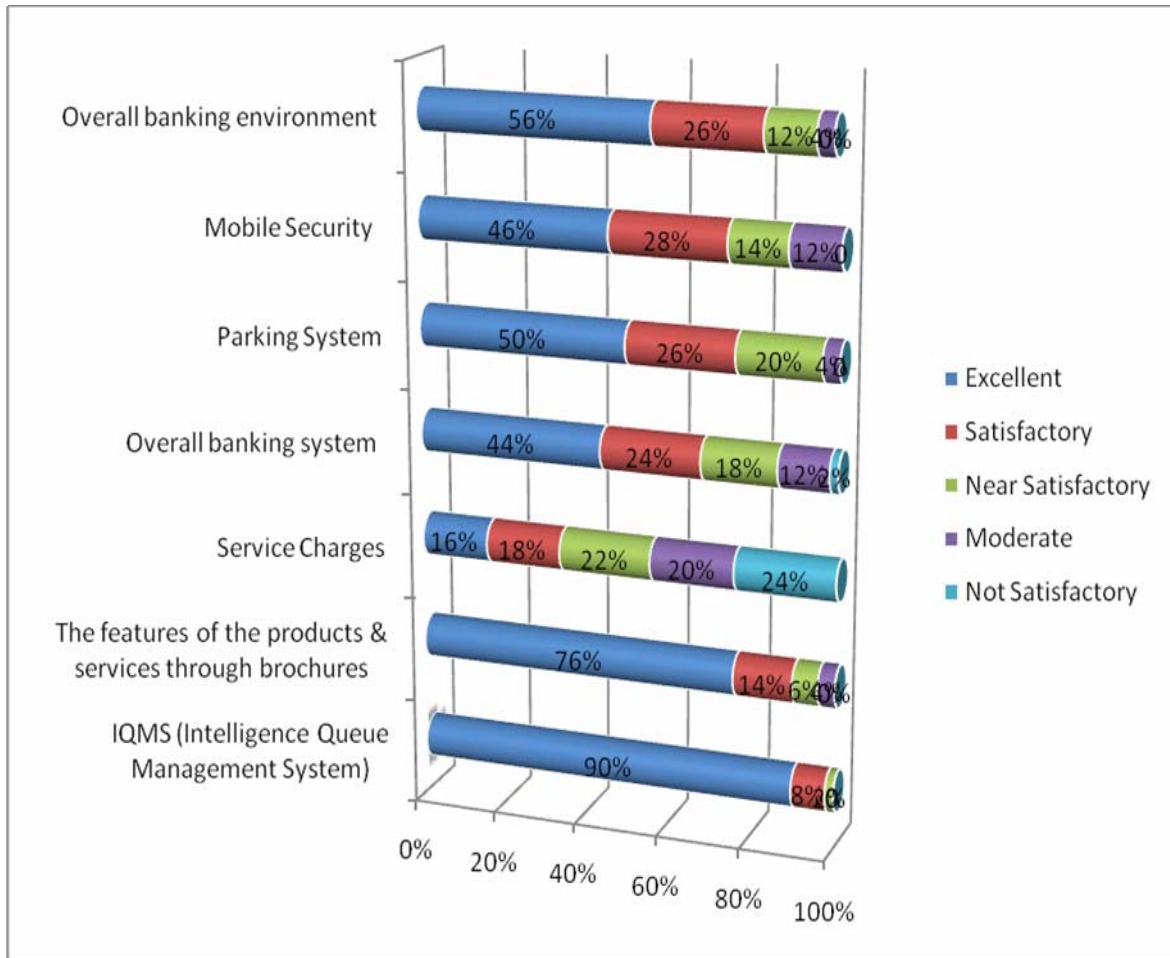
Bank Service	Level of Satisfaction				
	Excellent	Satisfactory	Near Satisfactory	Moderate	Not Satisfactory
IQMS (Intelligence Queue Management System)	90%	8%	2%	-	-
The features of the products & services through brochures	76%	14%	6%	4%	
Service Charges	16%	18%	22%	20%	24%
Overall banking system	44%	24%	18%	12%	2%
Parking System	50%	26%	20%	4%	-
Mobile Security	46%	28%	14%	12%	-
Overall banking environment	56%	26%	12%	4%	

To identify the quality of provided services it is essential to find out the customers' opinion about the services provide. For this reason I asked several customers and tried to find out service quality.

Their opinions about service quality are given in table # 5.

The graphical representation of the above information are given next page-





**Chart: 5 Customers' Interpretation about the Bank service**

### 5.1.6 Customers' Opinion about Employee's Service

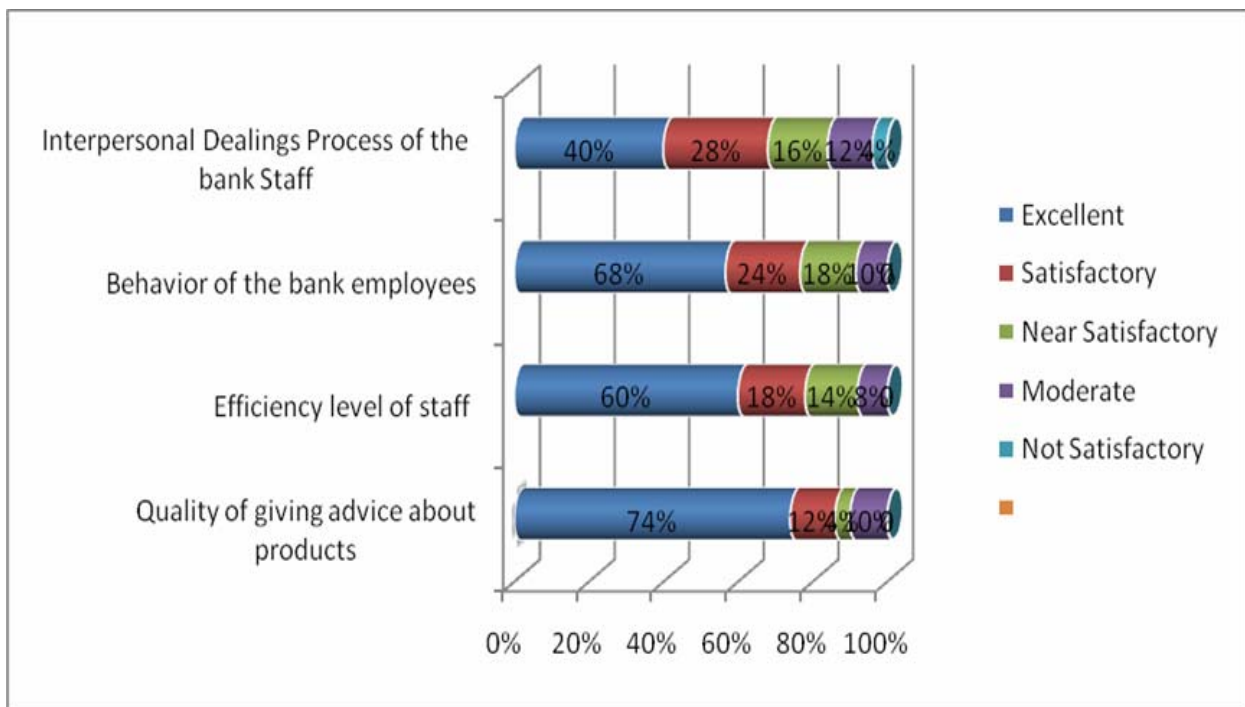
Employees are the main factors to serve the customers. And employees' behavior, good interpersonal skills attracts the more customers. To identify the customer satisfaction level, customers' opinion about the employees' attitude in time of providing any help or any service is the most essential findings and the questions are – Quality of giving advice about products or other services? What do you think about the efficiency level of staff? Behavior of the bank employee's ? Interpersonal Dealings process of banks staff? {See Appendix} and their satisfaction level are given in a percentage.



**Table # 6: Customers' opinion about employees' services**

Employee's Service	Level of Satisfaction				
	Excellent	Satisfactory	Near Satisfactory	Moderate	Not Satisfactory
Quality of giving advice about products	74%	12%	4%	10%	-
Efficiency level of staff	60%	18%	14%	8%	-
Behavior of the bank employees	68%	24%	18%	10%	-
Interpersonal Dealings Process of the bank Staff	40%	28%	16%	12%	4%

I have seen that most of the respondents have shown positive respond about the employees' service. For identify the employees' service I asked different factors of the bank employees' to the customers. Their opinions are shown in the above table. The graphical representation of the above information are given below



**Chart: 6 Customers 'Opinion about the Employees' services**

**5.1.7 Customers' opinion about Product Information**

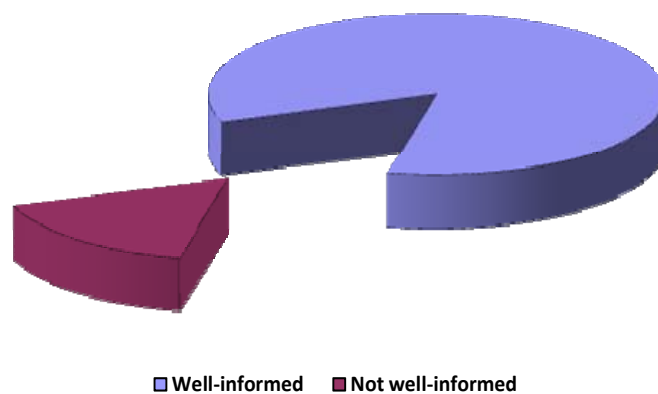


SCB's Consumer Banking business continuously meets the challenges of developing new products and services to match the specific requirements of customers. I asked fifty customers that they were well informed about the recent SCB's products or not. Most of them were told to me i.e. 84% of the total respondents that they were well-informed about the products and rest of them well-known but not properly the products' terms and conditions.

**Table # 7: Customers' opinion about product information**

Well-informed	Not well-informed
84%	16%

Table # 7 shows most of the respondents are well-informed about the SCB's products. And the rest of the customers are known about the products but not well. The graphical representation of the above information are given below-



**Chart: 7 Product Information**

## 5.2 Opinion from the Borrowers



### 5.2.1 Reasons to choose the bank for lending

Most of the borrowers are individual. I wanted to know which factors they consider when they were borrowing from the bank. I asked 25 customers who are lending money from SCB for different purpose. I asked them "what factor did you consider at time choosing the bank (Please rank the following factors in order on preference. Give rank 1 to the most preferable factor up to 7)" {See Appendix} and their ranking are given below-

**Table # 8: Reasons behind the chosen of the bank for lending**

Factors	Responses	Percentage of Responses	Rank
Interest rate	4	16%	4
Personal relationship with bank employees	2	8%	5
Location of the bank	1	4%	6
Quality of the bank service	6	24%	2
Product diversification	7	28%	1
Availability of different facilities	5	20%	3

To set up the lending prerequisite, it is essential to know the customers' opinion about the current lending criteria. Most of the customers firstly focus to the product diversification (28% of the total respondents) then availability of different facilities and so on which are shown in the above table.

The graphical representation of the above information are given in the next page-



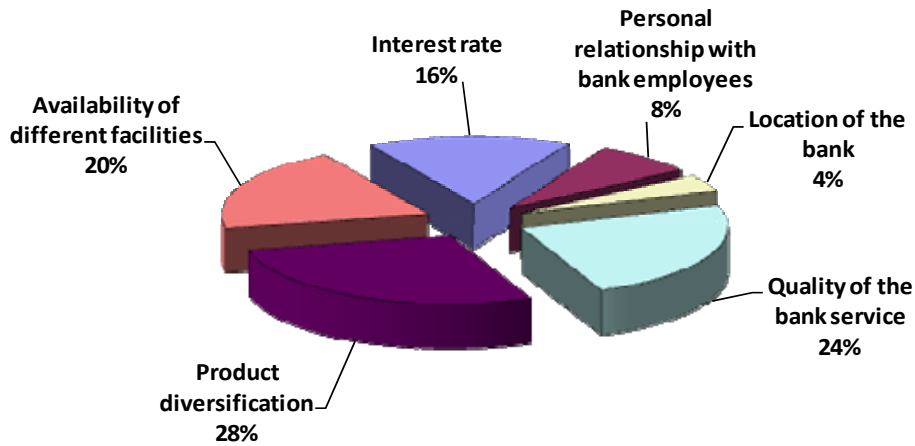


Chart: 8 Reasons to choose the bank for lending

### 5.2.2 Opinion on Lending Procedures

I wanted to know whether the borrowers that they were satisfied about the bank's services or not. I collected information through questionnaire and also conversation from the 25 borrowers. And my question was "please identify the level of satisfaction various bank services (use tick mark)" {See Appendix-13, Question No. 4}. Their opinions are given below-

Table # 9: Customers' opinion on lending procedures

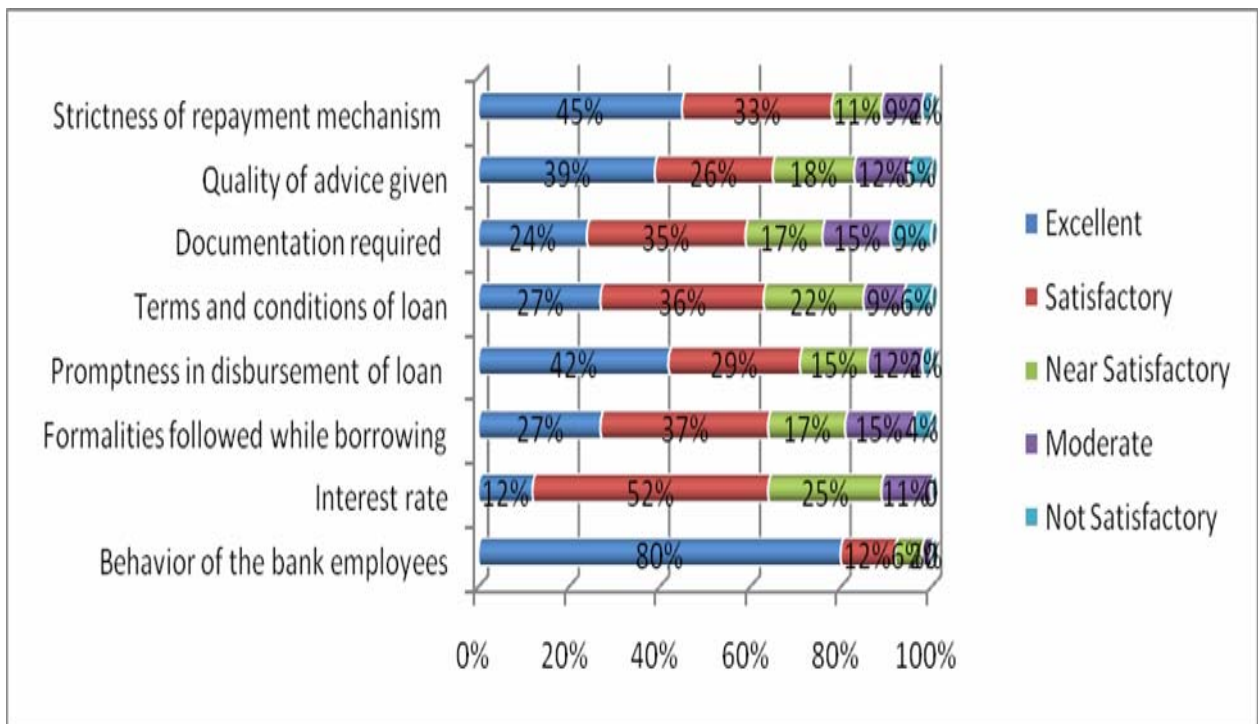
Bank Service	Level of Satisfaction				
	Excellent	Satisfactory	Near Satisfactory	Moderate	Not Satisfactory
Behavior of the bank employees	80%	12%	6%	2%	-
Interest rate	12%	52%	25%	11%	-
Formalities followed while borrowing	27%	37%	17%	15%	4%
Promptness in disbursement of loan	42%	29%	15%	12%	2%
Terms and conditions of loan	27%	36%	22%	9%	6%
Documentation required	24%	35%	17%	15%	9%
Quality of advice given	39%	26%	18%	12%	5%
Strictness of repayment mechanism	45%	33%	11%	9%	2%





To make the lending procedure more effective customer opinion is essential. I have seen that most of the respondents have shown positive respond about the employees' service, promptness in disbursement of loan, strictness of repayment mechanism, quality of given advice and other factors which are given in the above table.

The graphical representation of the above information are given below-



**Chart: 9 Bank formalities for Lending**

### Customer profile

I took nine different type of customer to collect their opinion. 4 of them are businessman, 3 are service holder, 2 are self employed and rest 1 is housewife.

### 5.3 Opinion of the Customers

I took nine customers' opinion that why they lending with SCB. Their opinions in ranking are given next page-



**Table # 10: Opinion of the customers**

Factors	C-1	C-2	C-3	C-4	C-5	C-6	C-7	C-8	C-9
Pr	4	4	2	4	1	2	3	3	1
SQ	1	3	4	3	2	3	4	2	3
FS	3	2	2	2	1	2	3	3	2
BOS	4	4	2	2	1	3	1	3	1
POS	3	2	4	1	5	2	3	1	2
QA	4	5	2	4	3	3	2	1	2
SL	4	3	3	2	4	2	2	1	3

Here I used 1 to 5 scales for ranking the level of satisfaction.

- 1 refers to Excellent
- 2 refers to Satisfactory
- 3 refers to Near Satisfactory
- 4 refers to Moderate
- 5 refers to Not Satisfactory

Here I also used some abbreviations in the above table which are as follows-

- Procedure of the Service --- Pr
- Standing in a queue --- SQ
- Formalities in taking the service --- FS
- Behavior of the Staffs --- BOS
- Promptness of the service provider --- POS
- Quality of the advice provided --- QA
- Satisfaction level --- SL



Graphical representation of customers' opinion are shown in below-

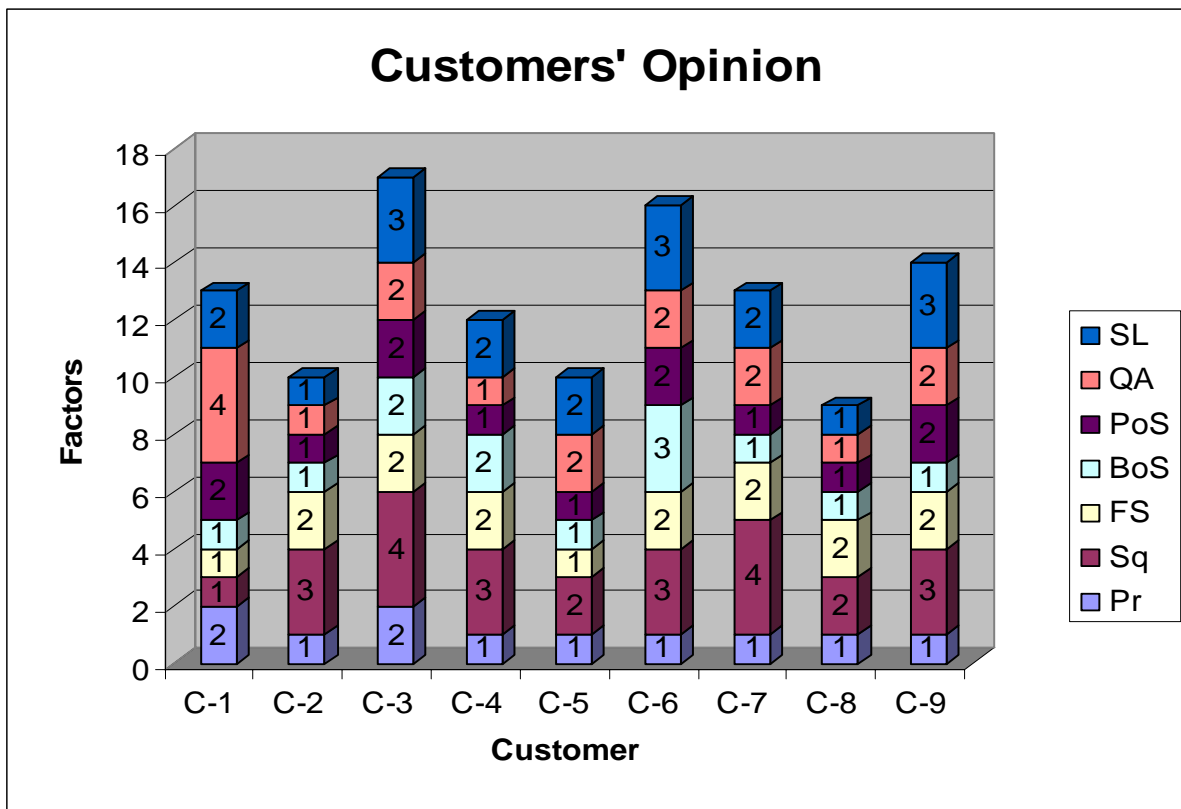


Chart: 10 Opinions of the Customers

### 5.3.1 Time required for providing services

To identify the better services of SCB I have collected the timing to complete the job by the employees in the bank through customers which are given below-

Services	Time
Account opening formalities	15-20 minutes
Account opening time	1 days without CPV
Account closing formalities	10-12 minutes
Encashment of SanchayPatra interest	15-20 minutes
Requisition for cheque book	3-4 minutes
Collection of cheque book	3-4 minutes
Requisition for ATM card	3-5 minutes
Collection of ATM card	3-6 minutes
Requisition for TIN	3-5 minutes

Collection of TIN	2-3 minutes
Requisition for PIN	3-4 minutes
Collection of PIN	3- 5 minutes
Requisition for address change	3-5 minutes
Update address change	2 working days without CPV
Requisition for signature update	5 minutes
Signature change	3 working days
Signature verification	1 minute
Issuing of statement	10-15 Minutes (Duplicate); one orking days for original Statement
Statement Requisition	2-3 minutes
Credit card delivery	1-2 weeks
Remittance	Time depends on mode of operation
DD	Time depends on mode of operation
Pay Order	15-20 minutes

### Product:

Different features of the product	10-15 minutes or more
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### Credit Card:

General features	10-15 minutes
Charges inquires	5 minutes
Increase limit enhancement requisition	4-6 minutes
Malfunctioning	10-12 minutes

### ATM Card:



General features	5-7 minutes
Charges inquires	2-3 minutes
Stop lost card and PIN requisition	8-12 minutes
Captured Card delivery	5-7 minutes
Malfunctioning	15-20 minutes

### Other Services:

Authorization for picking up cheque book	15-20 minutes
Different products inquiry	8-12 minutes
Balance inquires	2-3 minutes
Stop payment formalities	7-10 minutes
Tele banking	3-4 minutes

### 5.3.2 10 days Services in customer Service Area in Narayangonj Branch

In Narayangonj Branch mainly three types of customers visit the branch like General customers who are account holder, Credit Card holders and Borrowers. To identify the customer service by the employees I observed ten days services that how many persons took different services in the customer service area. The following table shows the number of customers and their taking services.

#### Credit Card

Name of the Services	No. of persons taking Services
Card Cheque	3-4
Payment Over limit fee	8-10
Information about Master Card	3-4
Information about Supplementary card	8-10
Information about VISA Mini	2-3

Information about Platinum Card	1-2
Limit Enhancement	20-25
Address Update	3-5
Cash Advance	7-8
Captured Card Delivery	2-3

### Account Related Information

Name of the Services	No. of person taking Services
Account Opening Information	5-7
Fill up the Account Opening Form	8-10
Account Closing	1-2
Welcome Account	1-2
Solvency Certificate	4-6
Account Statement	18-22
Remittance	30-35
Tin Requisition	8-12
ATM Replacement	5-8
Encashment of Coupon interest on MSP	4-5
Address change requisition	6-7
Signature change requisition	2-3
FD encashment	1-2
ATM Card Delivery	15-16

### 5.3.3 One day ATM transaction

ATM services are very important for banking. Customers can get extra-ordinary services by ATM. Here I have shown the one day ATM transactions by which it would clear that how many customers took different types of services by ATM.

**Table # 11: Five Days ATM Transactions**

Transaction Type	1st Day	2nd Day	3rd Day	4th Day	5th Day
FAST CASH	281	282	266	484	260
TRAV CHEQ	0	0	0	0	0
BALANCE	17	15	21	37	16
STATEMENT	2	8	0	2	3
MINISTMT	39	26	0	66	0
FULLSTMT	0	0	0	0	0
TRANSFER	0	0	0	0	0
CHEQUEBK	1	2	0	1	0
DRAFT	0	0	0	0	0
PIN CH.	1	2	0	1	4
CASH DEP.	7	13	10	36	13
CHEQ DEP.	0	0	1	4	1
MIXD DEP.	0	0	1	0	1

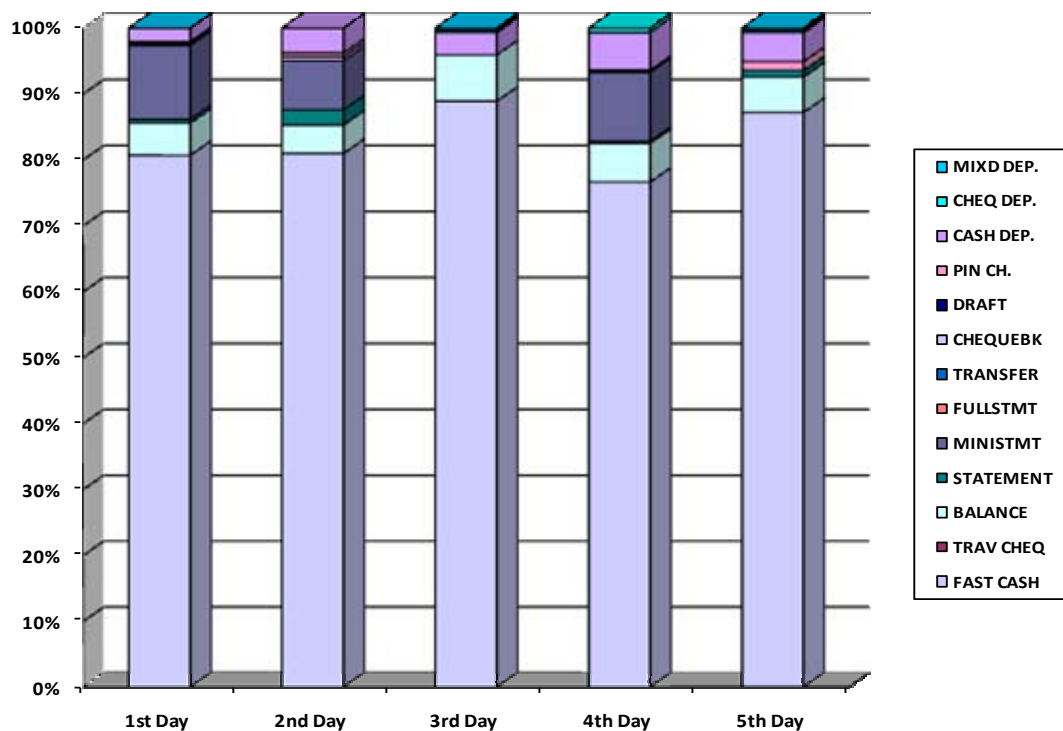


Chart: 11 Five Days ATM Transactions



### 5.3.4 Weekly Transaction from IQMS in counter section (Intelligence Queue Management System)

I have collected how many persons were taking counter services in a week which are given below-

**Table # 12: Weekly Transaction from IQMS**

Day	9:00AM to 11:00PM	11:00AM to 1:00PM	1:01AM to 3:00PM
SATDAY	56	68	35
SUNDAY	156	185	106
MONDAY	86	74	59
TUESDAY	74	96	55
WEDNESDAY	66	45	70
THURSDAY	112	176	206

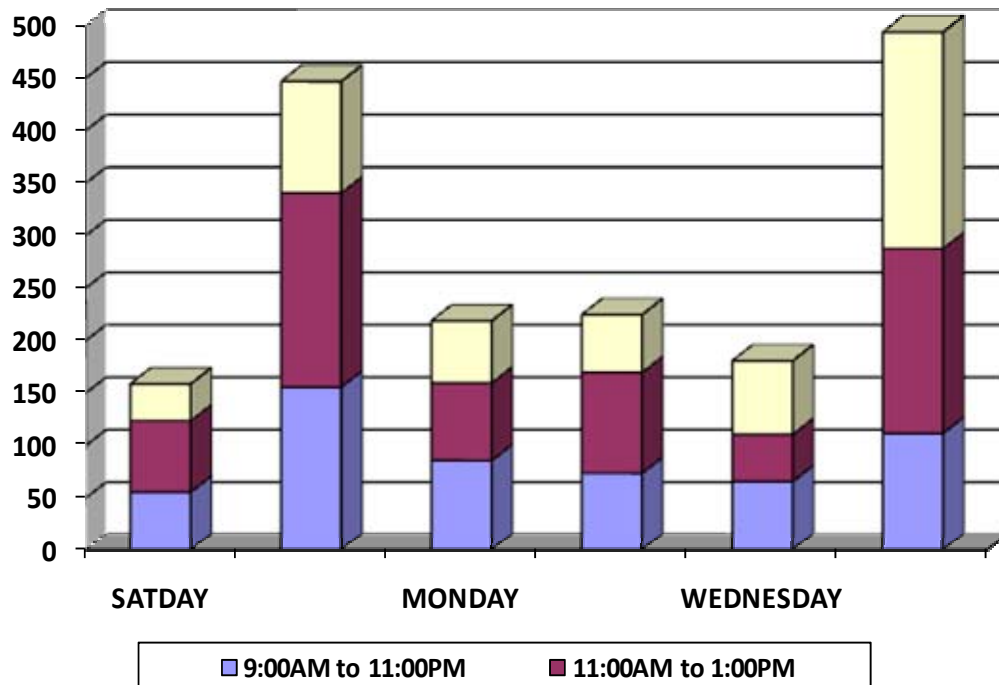


Chart: 12 IQMS Measurement





## 5.4 Interpretation of Customers' opinion

Customer relationships and company profitability are linked closely to product and service quality result in greater customer satisfaction. Standard Chartered plays a very important role in the banking sector in our country. It is very popular to all. As a BBA student I got the opportunity for doing the internship program with Standard Chartered Bank, Narayangonj Branch. In the period of my internship I met different types of customers and talked with them about products and services SCB provides to them.

I asked to the customers "how many times they visit the bank and which type of transactions they do". Most of the customers informed me that they visit the bank several times in a month and get the different types of services.

Without any official advertisement the branch set up Intelligence Queue Management System. A major part of the customers liked it because depending on the waiting time which was mentioned, they could do other work at nearby places like having food or talking on cell phone or they could take other services from Customer Service Officers or from the Service Ambassador or can meet with the Branch Manager. If waiting time is mentioned '10 minutes (approx.)' then they can come back to the branch after 7/8 minutes for taking service outside. Before the implementation at Narayangonj Branch, customers used to stand in the long queue but after that they can get service in a short time.

Most of the customers choose the bank for banking for various reasons. They informed me various reasons behind choosing the bank – better services, desired products, good will and international reputation. I asked few customers why they are banking with this branch not with the other branches. They replied me that the branch was situated near to their business offices or residents. Few customers told for familiar staffs and their swiftness and dealings capability. Standard Chartered fully understands the importance of time, convenience and efficiency to the success of customer's business. They make easy the complex financial world for customers and help to maximize every opportunity.



They provide the features of the products and services through brochures are helpful to know. 84% of the customers informed me that they were well-informed about the SCB's product. They apply state-of-the-art technology to automate their daily operations and electronic delivery system has been put in place to ensure that transactions are handled swiftly and efficiently. Their dedicated Customer Service Centers are staffed with experienced Cash Products Specialists to ensure that all their customers are well served.

Their Consumer Banking business continuously meets the challenges of developing new products and services to match the specific requirements of customers. Now they launch new facilities i.e. iBanking and SMS banking for the customers by which customers can access their account by sitting at home.

Many of the customers told me about the service charges. This is little bit high. On my every question I replied by the majority of customers excellent but one question I got negative feedback from the customers. 25% of the total respondents explained that the services charges are high. If they come to the branch for taking one month statement (If their statement frequency is one month or the frequency is half yearly or quarterly) then they have to pay a minimum charge BDT.500 + 15% VAT which they think high.

Standard Chartered Bank is the first bank in the country to offer automated 24-hour Phone banking service. Their phone banking services include balance enquiry, fund transfer, change of TIN, chequebook request, credit and debit card activation, statement request, foreign currency exchange rate etc., which are available through telephones from the comfort of home, office or car.

Other services available during the working hours include account opening information, remittance query, stop payment instruction, request for draft, renewal of fixed deposit, change of address etc. in the branch. Counter service of the branch are very much swift. Each and every employee serves very swift. Even a day they served 500 customers in the banking time in my internship period.

Standard Chartered Bank Bangladesh offers Priority Banking, a special service package for their valued customers. Under this segment an exclusive combination



of services are offered to customers who signed up for it. Some of the benefits offered under the program are:

- A Priority Card that recognizes their Priority Status at all their local branches and also at their global Priority Centers.
- Higher withdrawal limit per day from all our ATMs in Dhaka, Chittagong & Sylhet.
- Privileges associated with the Priority card in reputed hotels, restaurants and stores locally and globally.
- Exclusive Priority Centre in Dhanmondi, Gulshan, Uttara, Chittagong & Sylhet with reserved parking space
- Dedicated Customer Relationship Personnel at the Priority Centers.
- And also commission free SCB Visa travelers' cheques against travel quota, swifter transactions, pre-arranged banking services and invitation to special social and cultural events.
- All customers' need to do is to meet the priority criteria (set in terms of deposit value), and sign up the relevant forms and customers will immediately be eligible for all the benefits.

Standard Chartered Bank provides different types of loan to the customers with flexible condition. They provide many features such as 3 different repayment-tenor options – 36, 48 or 60 equal monthly installments, can be secured by salary assignment and employer's undertaking or personal guarantee, can be repaid in advance, anytime ahead of maturity date.

Customers explained me that 16% of the respondents first think about the interest rate when they are willing to take loan. The interest rates of the loan are reasonable and terms and conditions are flexible for them. They also told about the timing of loan disbursement and strictness of repayment mechanism is good. They get different facilities if they are account holder. If customer has the salary account with SCB then he/she gets many loan facilities than other customer.

# Chapter 6

## Conclusion And Recommendation

### 6.0 Ending Remarks

In the fast evolving world, it is very necessary for each and every organization to build a strong presence in the market by maximizing profit margin by satisfying their customers as much possible. As a bank, the manager has to identify the strategies that align, fit or match the banks' resources and capabilities to the demands of the environment in order to exploit opportunities and counter threat and to correct company weakness building on the strength. It is like a process containing corporate planning, performance analysis, program or service delivery, and evaluation and review.

After completing my internship program with SCB, Narayangonj Branch, I think the following recommendations will help them to improve the customer care,

- Service Charges should be reduced.
- SCB can take initiative to lower the average monthly balance for Super Savers.
- Number of counters should be increased.
- Locker service should be improved.
- SCB can hire more knowledgeable sales executives, who can provide accurate information to the customers.
- SCB can hire more knowledgeable sales executives, who can provide accurate information to the customers.
- Should have proper and on time customer care.
- SCB should have its own courier system to transfer requests to main house and accounts section to increase the safety of the documents and efficiency. This will also reduce discrepancies like documents lost, late delivery and difficulty in tracking.
- Banking operations should be provided to all level of people.

## *7.0 Conclusion*

Standard Chartered operates in every Asia Pacific with the exception of North Korea & some 60% of the Groups profits come from the Asia Pacific Region. Consumer banking is a major side of its total banking. In Standard Chartered Bank, consumer banking – which has some 5 million customers, has grown significantly in recent years and contributes about 50% of the total profits. It goes without saying that Standard Chartered Bank has turned over a new leaf of general people through the invention of new products, which are easily introduced and accepted, by the general people on account of its reliability and flexibility. As a matter of fact some products are liked better to surplus units and some are uniquely for deficit units. Deficit unit's affirmation is met up with the products of surplus units and surplus unit's expected benefit comes from with the precise utilization of deficit unit's product. Another thing is that the terms "Product" and "Services" are involved in extricable. Products are invented for the valued customers and products are introduced to the customers more significantly and deeply only when they come in branch. So it is urgently indispensable to keep an eye on proper customer care to have strong product knowledge in to the customer's mind. My experience says that quickly and on time Products and services are the core point of banking business and it is also so risky that all customers are not of it and equal minded. Therefore, it varies customer to customer's expectation; however, there must have fair field and no favor to all customers. 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.

## 8.0 Appendix- 1

### STANDARD CHARTERED BANK LTD.

#### CUSTOMER SATISFACTION QUESTIONNAIRE

We appreciate you taking the time to complete this questionnaire. Please circle the numbers you think are most appropriate and return the form.



Perceptions statements in the <b>reliability</b> dimension					
	<b>Strongly agree</b>			<b>Strongly disagree</b>	
1. The account opening process of Standard Chartered Bank Ltd. is efficient.	5	4	3	2	1
2. You did not have to wait for a long time at customer service to open an account .	5	4	3	2	1
3. The bankers and staffs of SCB were sincere about your service concern.	5	4	3	2	1
4. You were given enough information about your accounts regularly.	5	4	3	2	1
5. SCB sends you mails about the condition of your cheque book and bank statements regularly.	5	4	3	2	1
6. There are enough officers on duty in the bank.	5	4	3	2	1

Statements in the <b>responsiveness</b> dimension					
	<b>Strongly agree</b>			<b>Strongly disagree</b>	
1. The officers at customer service correctly answered your required inquiries.	5	4	3	2	1
2. The staff and employees of the bank are helpful and cordial.	5	4	3	2	1
3. The officers at customer service responded at your call promptly.	5	4	3	2	1
4. The officers are friendly and competent.	5	4	3	2	1
5. The amount of time taken at cash counter to deliver service to you was enough.	5	4	3	2	1
6. The competence and knowledge of officers about banking system is good.	5	4	3	2	1

Statements in the <b>assurance</b> dimension					
	<b>Strongly agree</b>			<b>Strongly disagree</b>	



1. The officers are helpful, competent and knowledgeable.	5	4	3	2	1
2. The officer who helped you to open the account was courteous and helpful.	5	4	3	2	1
3. You had confidence and trust on the officers at customer service.	5	4	3	2	1
4. Your chequebook and ATM card was delivered carefully and efficiently.	5	4	3	2	1
5. Overall, you are satisfied with the service you received.	5	4	3	2	1
6. The cash counter and consumer banking department is very organized	5	4	3	2	1
7. The bank environment is peaceful and comfortable.	5	4	3	2	1

Statements in the <b>tangible</b> dimension					
	<b>Strongly agree</b>			<b>Strongly disagree</b>	
1. All departments are very clean and comfortable.	5	4	3	2	1
2. ATM machine is in good working condition.	5	4	3	2	1
3. Parking area is sufficient.	5	4	3	2	1
4. The sitting arrangement is comfortable.	5	4	3	2	1
5. Other machines such as lift, AC and lightning of the bank are of high quality.	5	4	3	2	1
6. The interior decoration is comfortable.	5	4	3	2	1
7. Bank security is satisfactory.	5	4	3	2	1

***Please tick the points you think are most appropriate.***

# How did you find out about this bank?

- I was referred here by a banker.
- I was referred here by a friend or family member.
- I was referred here by a neighbor.
- I was referred here by a colleague.
- Other\_\_\_\_\_



# How likely are you to refer your friends and neighbors to this bank?

- The care is excellent! I will refer everyone I can to this bank.
- The care is good. I will tell friends about the bank only if they ask me.
- The care is deficient. I will tell friends not to come to this bank.

# How long have you been Banking with SCB?

- Less than 6 months
- 6 months-1 year
- 1 year- 3 years
- More than three years

Please rank the following criteria according to their importance to you for choosing a bank (1-most important ...)

- Service quality
- Interest rate/charge
- Reputation/ image of the bank
- Location of the bank
- Technology (i. e. ATM)
- Other\_\_\_\_\_

# Why SCB is preferable to you?

- Due to efficient personal banking
- For efficient and knowledgeable management
- L/C advising and confirming
- Syndicate loan

# What are the services of SCB you appreciate most?

- Credit Cards
- Locker facilities
- Money builder
- All of them

# What is your preferred banking method?

- ATM
- Phone Link
- Branch visit
- Mail/Fax

• How often do you use ATM service?

- Daily
- 4-5 Times in a week
- Once in a month
- Less than once in a month

• How often do you use Phone link service?

- Daily
- 4-5 Times in a week
- Once in a month
- Less than once in a month

•How often do you Visit SCB?

- Daily

- 4-5 Times in a week
- Once in a month
- Less than once in a month

• How often do you use Mail/Fax services of SCB?

- Daily
- 4-5 Times in a week
- Once in a month
- Less than once in a month

Do you get your account statement on time?

- Yes
- Irregular (sometimes I do, sometimes I don't)
- Do not get it at all
- Others \_\_\_\_\_

• Do you think that your complain(s) are handled properly?

- Yes
- No

• If yes, then rate your satisfaction?

- Highly Satisfied
- Satisfied

• Do you think that SCB keep its confidentiality?

- Yes, executives are very careful and conscious
- The level of confidentiality is acceptable but could be better
- No, they have no respect for privacy and desertion
- Other \_\_\_\_\_

• According to your opinion why SCB is so much crowded than any other MNC banks?

- Because of faster service
- Efficient Executives
- Tool small branch
- Not enough staffs

# How do you rate the overall service quality/premise/attitude/product of SCB?

- Excellent
- good
- Acceptable
- Below Average
- Poor

**Your opinions and comments are important to us.**

On behalf of our entire staff, thank you for choosing us. We have tried to live up to your expectations and provide you with a high level of service. Now we would like to know if we did indeed meet that goal.

So, thank you for taking a few minutes to complete this survey. Your responses, suggestions, and recommendations will help us make improvements. Below you may provide additional feedback.

**Your honest evaluation is most important.**

Thank you for taking the time to share your thoughts with us, and for letting us serve you.

*Please comment:*

If you would like us to contact you concerning your opinions or suggestions, please fill out the following:

Name:

Gender:  Male  Female

Occupation:

Age:

- 19 years old or younger
- Between 20-44 years old
- Between 45-64 years old
- Over 65 years old

Income:

- Below Tk.10,000/month
- From Tk.10,000-20,000/month
- From Tk.20,000-50,000/month
- From Tk.50,000-1,00,000/month
- Over Tk.1,00,000/month

## Appendix- 2

- SCB- Standard Chartered Bank
- BSSM- Branch Sales & Service Manager



- STM- Sales Team Manager
- CSM- Customer Service Manager
- BRO- Branch Risk Manager
- PFC- Personal Financial Consultant
- SA- Service Ambassador
- CSO- Customer Service Officer
- BSE- Branch Sales Executive
- DSE- Direct Sales Executive
- TIN- Telephone Identification Number

## 9.0 Bibliography

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