Report On

Determinants of employee retention of financial institutions: A case study on bKash

By

Md. Ahsanul Islam Saqlain
21304096

An internship report submitted to the BRAC Business School in partial fulfillment of the requirements for the degree of Bachelor of Business Administration

BRAC Business School
BRAC University
August, 2025

Declaration

I hereby declare that the internship report titled *"Employer Retention Practices at bKash Limited: A Human Resource Perspective"* has been prepared by me as part of the requirement for the Bachelor of Business Administration (BBA) degree at BRAC University.

This report is my original work and does not contain material previously published or written by a third party, except where such materials are duly cited and acknowledged. It has not been submitted, either wholly or partially, for any degree or diploma at this or any other institution.

I have duly acknowledged all sources of assistance and information used in the preparation of this report.

Student's Name & Signature:

……………………………………………………………

Md. Ahsanul Islam Saqlain

ID: 21304096

Supervisor's Name & Signature

…………………………………………………………..

Mohammad Rabiul Basher Rubel

Associate Professor, BRAC Business School

BRAC University

Letter of Transmittal

Date: August 2025

To
Mohammad Rabiul Basher Rubel
Associate Professor
BRAC Business School
BRAC University
Badda, Dhaka-1212

Subject: Submission of Internship Report

Dear Sir,

With due respect, I am pleased to submit my internship report titled *"Employee Retention Practices at bKash Limited: A Human Resource Perspective."* This report has been prepared in partial fulfillment of the requirements of the BBA program, under the course BUS400.

The internship has been carried out from May 26 to August 26, 2025 at bKash Limited, Human Resources - Recruitment & Training unit. During this time, I was involved directly in recruitment coordination work, onboarding support, event management and HR data. The report combines the work experience with theoretical frameworks to deliver insights on employee retention approaches in a leading FinTech organization.

I am thankful for your guidance through the preparation of this report and sincerely hope that the report measures up to the academic standards and your expectations.

Sincerely,

………………………………..
Md. Ahsanul Islam Saqlain
ID: 21304096
BRAC Business School
BRAC University

Acknowledgement

I would like to sincerely express gratitude to **Mr. Rezaur Rahman Nafiz**, Vice President and Head of OD & HR Strategy, bKash Limited, **Mr. Meheraf Shamim**, Deputy General Manager, Organizational Development and Human Resources, bKash Limited, and **Md. Nowrose Farhan Chowdhury**, Manager, Talent Acquisition and Human Resources, bKash Limited, who gave me this opportunity to conduct my Internship in the Human Resources Department. Their guidance, encouragement and helpful feedback really made a difference in my learning experience.

In the end, I am very much obliged to my academic supervisor, **Mr. Mohammad Rabiul Basher Rubel** (Associate Professor, BRAC Business School), for his great advice and steady support during my preparation of this report.

I'd also like to thank the Recruitment and Training team of bKash Limited for their teamwork and patience in assisting me through various HR processes. My colleagues also made my internship productive and enjoyable.

Finally, I would like to thank my family and friends for their constant support and encouragement during this period.

Executive Summary

This report is based on my internship work at bKash Limited, which is the leading Mobile Financial Services (MFS) Provider of Bangladesh. It discusses the employee retention practices of the organization from a human resource management perspective.

I worked in the Recruitment and Training department of the Human Resources Department. My tasks included coordination of interviews, screening of CVs, supporting the onboarding, supporting events and managing HR data.

The report combines some of the insights I have gained from my work, in combination with research on how to retain employees. IT identifies key factors that affect retention at bKash, which include:

- Competitive compensation & performance-based rewards.
- A purpose-driven culture with a focus on financial inclusion.
- Careers Development opportunities through training and leadership programs.
- Trust-based leadership using S.T.E.E.R. Leadership Code
- Appreciation systems such as the STAR Award and CEO's Award.
- Employer branding policies and employee well-being policies.

The results indicate that the overall retention strategy of bKash follows the global best practices for the FinTech sector to a great extent. While having good pay is important, things such as meaningful work, opportunities for growth, and good leadership make a huge difference when it comes to employee loyalty. The report also highlights areas for improvement, such as the addition of flexible work options and personalized recognition programs.

Overall, this internship provided me with some useful knowledge of the HR operation in a big company. It helped me relate what I learned in school with real-world experience, and develop the skills that are professional and pertain to my career goals in human resources.

Keywords: Employee Retention, Human Resource Management, Recruitment, FinTech, bKash Limited, Organizational Culture.

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Chapter 1

Overview of Internship

1.1 Student Information

Name of the Student	**Md. Ahsanul Islam Saqlain**
ID Number	21304096
Program	Bachelor of Business Administration (BBA)
Major	Finance
Minor	Human Resource
Institution	BRAC University
Internship Organization	bKash Limited
Internship Duration	26th May to 26th August
Department Assigned	Human Resources – Recruitment & Training
Supervisor (Academic)	Mohammad Rabiul Basher Rubel
Supervisor (Industry)	Rezaur Rahman Nafiz

1.2 Internship Information

I did my internship at a leading mobile financial service, which is being done by bKash Limited in Bangladesh. They're known for using innovative digital solutions to increase the number of people in the financial system. This internship was part of my BBA program, where I'm majoring in Finance and minoring in HRM.

Internship Duration (05/2025 — 08/2025, 12 weeks). As an intern, worked under the Human Resources Department, focusing specifically on the Recruitment and Talent Acquisition Unit.

The main aim of this internship was to get me familiar with practical HRM linked to organizational effectiveness and employer branding, which includes designing training sessions and cultural programs catering to the diverse needs of employee development. Although I was not exposed to the employer branding segment of the department, I contributed mainly in talent acquisition, where I contributed in recruitment processes and gained experience in interview co-ordination, CV screening, and Excel data management of employment summaries.

During the internship duration, I was catered under supervision of both the academic supervisor from the university and the departmental supervisor at bKash. The report was supervised jointly to ensure that I was able to integrate academic knowledge with professional practice and also be able to reflect on practical issues, challenges, and responsibilities faced in an actual HR corporate setup.

1.2.1 Company Information

Company Name: bKash Limited
Established: July 2011
Headquarters: Dhaka, Bangladesh
Company Type: Private Limited Company
Regulator: Bangladesh Bank

Figure- *bKash logo*

Ownership Structure: Joint venture – BRAC Bank Limited (majority shareholder), Ant Financial (Alibaba Group), International Finance Corporation (IFC), Bill & Melinda Gates Foundation, SoftBank Vision Fund, and Money in Motion LLC

Industry: Financial Technology (FinTech) – Mobile Financial Services (MFS)

Target Market: Unbanked and underbanked populations across Bangladesh

Business Model: Digital financial service provider using mobile platforms to deliver real-time financial transactions, including money transfer, utility bill payments, savings, loans, and remittances

As per Bangladesh Bank guidelines, bKash, being a bank-led MFS model provider, is under stringent regulatory scrutiny, compliance, and financial security as well as an anti-money laundering framework. bKash has become Bangladesh's largest mobile financial service provider and a key epitome for inclusive digital finance in South Asia, with over 80 million registered users and a network of 400,000+ active agents around the country.

bKash's consumer-facing services are available through a range of channels, including the bKash app, USSD (*247#), agent networks, and customer care. Since these channels offer enabling accessibility across the board, regardless of the internet connectivity level or geography, they overlook bKash as the most inclusive platform.

In its long journey as a leading player in the digital finance ecosystem, bKash has been committed to constant product diversification. It has launched bank-embedded digital savings, mobile-interfaced microloans, QR code merchant payments (in China), and partnerships with international money transfer providers for seamless remittance services.

1.2.2 Internship Company Supervisor's Information

Name of the Supervisor	**Rezaur Rahman Nafiz**
Designation	Vice President, Head of OD & HR strategy
Department	Human Resources Department
Organization	bKash Limited
Office Address	Shadinota Tower, bKash Head Office, Dhaka, Bangladesh
Contact Number	01711081535
Official Email Address	rezaur.nafiz@bkash.com

1.2.3 Job Scope Job Description/Duties/Responsibilities

During the internship, I was placed in the Organization Effectiveness & Employer Branding department of the Human Resource (HR) Division of bKash Limited. The focus of the role was providing administrative and operational HR support in the areas of employee satisfaction and development, along with recruitment coordination. Key Duties and Responsibilities Under the supervision of HR personnel are as follows:

Coordinating important events

- Contacted 25 participants for a three-days-long new joiners' induction program by answering queries and ensuring attendance
- Assisted in tracking session, slot timing, and smooth transitions for designated speakers for four days long new joiners' induction session
- Monitored three days long investment fair program, coordinating on-site activities such as guiding and helping exhibitors/guests to their assigned area of interests, distributing event materials, and meal boxes on time to the guests

Recruitment Support

- Assisted in setting up scorecards and evaluation documents for interview panels.
- Calling 100+ potential candidates present on the shortlist, ensuring these candidates are free, and updating a calendar with the interviews.
- Developed & maintained interview attendance sheets.
- Assisting in surface-level CV screening, checking and short-listing CVs if the criteria was met on the application
- Assisted in organizing interview sessions by keeping the logistics, materials, and communication on time, and with the candidate and panel members.
- Assisted with new hire orientation by preparing orientation kits, taking attendance, and helping presenters in session.

Data Management and Excel Reporting

- Created and updated an Excel template for employment summary, where the progress of candidates is divided into 4 stages (Shortlisted, Interviewed, Selected, Joined).
- Recorded new information on recruitment and talent hunting and maintained data standardization and accuracy.
- Supported inventory management by documenting the issuance of onboarding items (ID cards, goods, etc.) with organized Excel sheets
- Administrative and Logistical Assistance
- Handled administrative tasks for the coordination of training sessions and HR events such as booking rooms, printing materials, and tracking participant engagement.
- Ensured confidentiality in dealing with employee records and company-level HR documents.

The practicum covered assignments in core HRM functions, primarily focusing on recruitment operations, onboarding coordination, Excel reporting, and basic HR analytics. Through these tasks, I developed their personal competence in communication and teamwork, their functional competence through data handling, and the skills that are significant in a corporate setup, along with the ethical behavior and attitude to be driven with professionalism.

1.3 Internship Outcomes

The bKash Limited is the largest Mobile Financial Services (MFS) provider in Bangladesh, and this organization provides a Vibrant opportunity to learn and contribute significantly to the academic, professional, and personal development. I got to work in my desired fields of human resource development. Internship Results: The results of the internship can be classified in a number of dimensions:

Practical Understanding of HR Operations

This internship provided me the opportunity to get hands-on exposure of key Human Resource Management functions, especially in the duties of recruitment, onboarding and training coordination. I witnessed firsthand what it meant to put the HR policies into action and how the operational decisions made by line managers were directly aligned with the organizational strategy.

Skill Development

As an intern, I acquired and improved several job-related skills, including:

- **Important event coordination:** Gained hands-on experience in dealing with stakeholders and how to maintain strategic communication with them
- **Recruitment and Interview Coordination**: Gained experience in scorecard preparation, interview scheduling, and attendance tracking.
- **Data Management**: Developed proficiency in Microsoft Excel, particularly in creating and maintaining employment summaries, CV screening logs, and onboarding trackers.
- **Communication and Professional Etiquette**: Improved verbal and written communication by interacting with candidates, HR team members, and internal departments.
- **Event and Orientation Support**: Participated in coordinating new joiners' induction and learned to manage logistical aspects of corporate training.

Applied Knowledge from Academic Courses

My internship showed me how HR planning, getting good people on board, and how companies work really happen in the real world, which are things I learned about in school. It really helped me gain an understanding of how what you learn in school helps you in your job.

Insight into Corporate Culture and Structure

At bKash, I got to see how different teams operate together and how ethics keep a big company in check. This helped me understand life in the tough FinTech world.

Career Clarity and Professional Readiness

It supported me in understanding what about HR is more interesting to me in terms of recruitment operations, people analytics-based HR decision-making analysis. This also provided me with a sense of confidence and readiness for the job market as a capable entry-level HR professional.

My internship experience here in bKash Limited is a bridge between academic learning and real-world experience. It prepared the scholar with skills, industry knowledge, and soft skills that were necessary for his or her career success in employment in Human Resource Management.

1.3.1 Student's Contribution to the Company

As an intern, I worked in the organizational effectiveness & Employer Branding department of the Human Resources Division of bKash Limited during the internship term, mainly in recruitment coordination, assisting in the onboarding process, and data management. Assisted the HR Professionals in acquiring valuable and meaningful work experience while contributing to the smooth functioning of the operational and administrative tasks of the department.

Important event coordination

Maintained clear communication with stakeholders for the investment fair and the new joiners' induction. This aided in preventing any confusion from the HR team. I also organized activities to make sure everything worked out well during the events.

Recruitment Process Assistance

I helped the recruitment team with preparations for the interviews - scorecards for the interviews, calling and confirming schedules with the shortlist of candidates, and maintaining attendance for each of these sessions. I ensured proper coordination in the interview days, transparency in the evaluation, and stringency.

Surface-Level CV Screening

As an intern, I did surface-level CV screenings on different types of entry-level postings based on qualifications, base experience, and skill sets. This resulted in saving the recruiter time and identifying suitable candidates.

Excel-Based Reporting and Data Management

Created an Excel-based employment summary template by status categorized as interviewed, selected, and onboarded. Also, I helped the recruiter by communicating with candidates with detailed information about the interview/assessment and answering queries.

Interview and Orientation Coordination

Helped coordinate logistics for interviews, including room scheduling, paperwork prepping, and follow-ups with panel members. I was also involved in organizing new employee induction and making sure that the orientation documents are ready, attendance is there and parameters are followed to make it a smooth session.

1.3.2 Benefits gained by the student

This report is a part of my practicum at bKash-Limited, where I had hands-on experience in a few key HR areas, mainly under recruitment and talent acquisition activities. It was a highly structured capstone experience through which I was able to use academic learning in a work environment within various corporate processes, and improve my technical and professional skills in areas such as:

Recruitment Process Management

As an intern, I was an active participant in different parts of the recruitment process. This included:

- Providing scorecards for interviewer's scorecards to be used to evaluate
- Making calls to shortlisted candidates for interviews and scheduling time slots and
- Making attendance sheets/lists for interview presence.

I also developed a greater appreciation for structured hiring practices and the need to coordinate and document everything.

Interview Coordination and CV Screening

For a smooth process, I had to facilitate communication between candidates and interview panels, book rooms, ensure people showed up on time, and make sure the interviewing procedures were being followed. I also undertook shallow CV screening based on high-level eligibility and role-based criteria.

Excel Proficiency and HR Reporting

By using an Excel-based employment summary template, extensive experience was obtained with data handling. Compiled Talent hunting Information, prepared and updated the necessary details associated with year-based interview outcome, and candidate status tracking by me. These tasks did a great deal for improving soft skills in Excel formatting, data validation, and report structuring.

Orientation and Induction Support

I assisted in new joiners' induction programs for new joiners by helping to plan sessions, prepare documentation, track attendance, and send follow-up emails. This expanded my coordination and events management skills in a professional environment.

Inventory Management through Excel

A key task was ensuring the Human Resource Inventory Logs were updated and maintained according to an Excel spreadsheet. Besides, this practicum definitely proved useful as it gave me a profound professional development experience with all the practicalities of recruitment, talent acquisition, data management with the help of Excel, and orientation. The combination of these experiences has given me hands-on, workplace-ready HRM tools that are crucial for any corporate HR department position going forward.

1.3.3 Problems and Recommendation

Few operational and procedural challenges were found during the internship period at bKash Limited, which belongs to a big organization and those challenges are common for any big organization, but bKash needs to overcome those challenges in order to increase the workflow efficiency and learning continuity for the interns. Recognizing these problems allowed for suggesting alterations to how interns could improve not just in their versatility but also in their morale, which overall would have a positive effect on department productivity.

Problems Identified

Repetitive Administrative Workload

The internship offered invaluable experience, but mostly consisted of tasks like scheduling interviews, tracking attendance, and updating Excel spreadsheets. For me, there were limited opportunities to experience facets of strategic HR – such as performance appraisal, talent management, or policy development.

Communication Gaps in Task Assignment

Sometimes, I was merely told to do the task, with neither a timeline nor written instructions, which resulted in confusion and delayed execution.

Recommendations

Implement a Structured Internship Orientation Program

HR should provide interns with a brief formal introduction to what each department does, how to communicate, how to access software, and how to do daily reports. That way, they are off to a good start without any delay.

Introduce Tiered Task Assignment Based on Learning Objectives

To make the most of the internship, offering a smorgasbord of administration and analysis work, shifting interns from one HR group to the next, like training, compliance, and employee relations, can go a long way.

Controlled Access to Non-Confidential HR Systems for Learning

Interns can get limited access to HR software or testing environments. This helps them to learn the operation of digital HR systems without putting any data at risk.

Maintain a Task Log and Written Assignment Briefs

Supervisors can maintain a shared task log, such as a Google Sheet or an Excel tracker with task descriptions, timelines, and contact info. This helps reduce the confusion and allows interns to keep track of their own tasks.

So, even though the bKash Limited internship is useful, keeping notes on the things mentioned above, such as preparing a better oriented presentation, assigning different tasks, and talking clearly with the interns, can really make this whole internship much better for the student later on.

CHAPTER 2

Organization Part

2.1 Introduction

bKash is the leading mobile financial service provider in Bangladesh. It's changing Digital Finance and helping the economy and society. Started as a part of BRAC Bank and monitored by Bangladesh Bank, bKash started with BRAC Bank, the government, and Money in Motion LLC of the U.S.A. joining hands.

bKash started functioning on July 21, 2011, with services such as Send Money, Cash In, and Cash Out. Later on, bill payments, mobile recharge, ticket purchases, payments to merchants, international remittance, and savings option were added to the list. Now, people can get to these services easily using the **bKash App** or by dialing *247#.

bKash came about because of how well mobile money services did in places such as Kenya and the Philippines. Seeing that it could do well in Bangladesh too, Kamal and Iqbal Quadir teamed up with BRAC's founder, Sir Fazle Hasan Abed, and together they started the company in 2010.

bKash made use of mobile phones to include people who were outside the normal banking system, in a country with over **100 million mobile phone users**. By 2015, they had handled more than **1 billion transactions**, with an average of 100 million transactions each month, and gained over **1 million new customers** that year. Only four years after it started, it had **21.2 million users**, almost the same as the number of people with regular bank accounts in Bangladesh.

bKash is now key to Bangladesh's move away from cash. It gives affordable financial services to those without bank accounts, about **85% of people**, especially in rural areas where normal banks have high costs.

Its contribution has been widely recognized:

- bKash earned a spot-on Fortune's list of the **Top 50 Companies** Changing the World in **2017**.
- The World HRD Congress recognized it as one of the best employers in Asia that same year.
- **In 2018**, Asia Money gave bKash the Best Digital Bank award, and it received the Bangladesh Innovation Award for Best Financial Innovation.

- By **November 2021**, bKash was the **first unicorn startup** in Bangladesh, with a value exceeding **$1 billion**.

By allowing for convenient, secure, and low-cost transactions - from P2P transactions to merchant payments - bKash has changed the face of financial transactions in Bangladesh, promoting financial inclusion, supporting small businesses, and most importantly, empowering millions of people to engage in the digital economy.

2.2 Overview of the Company

Being Bangladesh's top and also a standout among the most groundbreaking mobile financial services providers of South Asia, including other countries, bKash Limited is the largest Fintech platform in Bangladesh. Founded in 2011 as a subsidiary of BRAC Bank Limited, bKash has developed into a rapidly growing company with a distinguished mission and culture. Its partnership origins are closely connected to BRAC Bank and Money in Motion, LLC, USA, however, bKash stakeholders now include such globally recognized institutional investors as the International Finance Corporation, Bill & Melinda Gates Foundation, Ant Financial, an Alibaba company and the 'SoftBank Vision Fund'. Focused on broader financial inclusion, bKash offers inexpensive and safe mobile financial services for unbanked and underserved people throughout the country. Currently, bKash offers cash transactions, mobile top-ups, utility and merchant bill payments, various financial services including digital savings and micro-loans as well as international remittances all over the globe. Through the web of more than 400,000 agents and an accessible mobile app, bKash has rapidly reached almost 80 million registered users.

Promoting the cash-lite economy the operations of bKash generate its positive impacts on the government' broad financial inclusion strategy. This, along with the business-sparking innovation and in-depth knowledge of the Bangladesh' poorest segments and regulatory overview of the mobile-based services, define its significance for its 80-million users. A major advancement following any conventional business logic, bKash has rewritten corporate history, having become the first registered unicorn company in the technology sector of the economy in Bangladesh with a value exceeding $1 billion since August 2021. Having established its status as the most desired employee and initiated the largest in the country's history digital scheme in the banking sector, this status as a "unicorn" renders bKash a business phenomenon and, potentially, a trigger of comprehensive social changes in the development of Bangladesh.

2.2.1 Vision

To create a financially inclusive Bangladesh where every citizen in Bangladesh will be able to access a full suite of secure, affordable, and technology-enabled financial services facilitated by mobile LMS.

2.2.2 Mission

bKash's mission is to provide smooth, safe, and affordable mobile financial services to people who lack access. By using four main financial service tools and a large network of agents across the country, bKash helps boost economic activity, increase access to financial services, and supports the national goals of digital change and reducing poverty through new technologies.

2.2.3 Principles

The fundamentals of bKash Limited, which mean high values of the business, service delivery, and organizational behavior all these aspects are running and carried out with these fundamentals. It is with these principles in mind that it is in line with good governance practices from an ethical perspective, a move towards financial inclusion and a focus on an innovation-led growth:

1. Financial Inclusion: bKash is working on making access to financial services more accessible to the people who tend to get left out, whether it's due to living in rural areas, or having a low income.

2. Customer-Centric Approach: The firm has a customer-centric approach revolving around their convenience, security, and satisfaction, so all their services would meet customer needs.

3. Innovation and Technology: Digital innovation always has remained as the core of bKash business strategy, allowing it to provide cost-effective, scalable and future-ready financial solutions.

4. Integrity and Transparency: Integrity, openness in business operations, and adherence to governmental norms and succession standards are the base on which all the organizational implementations stand.

5. Partnership and Collaboration: bKash engages with banks, regulators, investors, and development partners to increase its range of services and continue functioning sustainably.

6. Empowerment and Impact: One of the interesting aspects of bKash is that the ownership is beyond profit; the brand has taken into consideration to create a social value by providing users with tools to save money, borrow money, and secure transactions to be aligned with national development.

2.2.4 Core Values

As a company, bKash Limited is fundamentally guided by its core values, which serve as the foundation of its culture, customer relations, and long-term strategy. These values express the commitment of the company to an inclusive, ethical, and sustainable delivery of financial services:

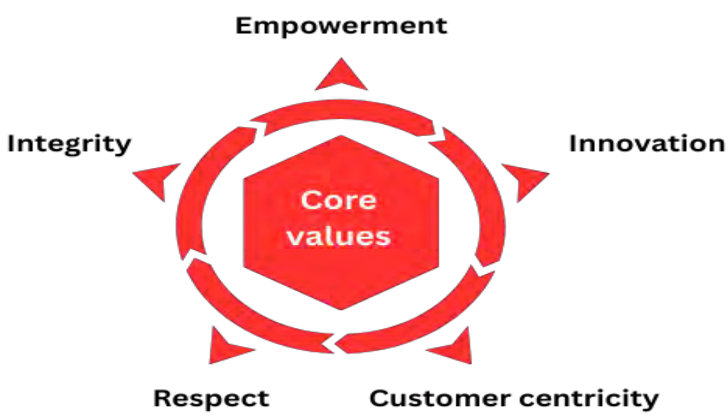

Figure 1- Core Values of bKash

1. **Integrity**

Guaranteeing the trust of different stakeholders and ensuring compliance with laws and regulations, bKash adheres to the utmost standards of integrity, accountability and transparency in all its affairs.

2. Empowerment

The company is dedicated to making available financial tools that allow people and communities to increase their participation in the economy and achieve or maintain self-sufficiency.

3. Innovation

Innovation has been one of the key building blocks of bKash. The platform of this type, it never stops exciting, adding evolving best-in-class technologies to enhance customer experience, ensuring top-notch security, and the service portfolio.

4. Respect

bKash maintains a culture where everyone behaves with respect for one another, without discrimination based on background or status, both in the workplace and on the customer side.

5. Customer Centricity

By putting the customer at the center of its decisions, the company aims to provide convenient, reliable, and straightforward services that meet a wide range of financial needs.

2.2.5 Board of Directors

The very core of the organization is led by the board of directors as mentioned below:

Figure 2- Board of directors of bKash

2.2.6 Shareholders

At this point in time, as of the 2024–2025 fiscal year, bKash Limited has a healthy and diversified equity structure with a combination of domestic and international stakeholders. Such ownership has been crucial for the company's robust financial position, technological capability, and governance capacity. Specifically, BRAC Bank Limited's ownership has not changed, with it still serving as the leading shareholder. Furthermore, global venture capital firms and recognized development finance institutions have maintained their ownership in bKash, which has facilitated the company's ongoing innovative growth as the leader in mobile financial services in Bangladesh.

Figure 3- Shareholders of bKash

Shareholder	Ownership (%)	Nature of Entity
BRAC Bank Limited (Bangladesh)	51.00%	Commercial Bank (Parent Company)
International Finance Corporation (IFC)	8.75%	Development Finance Institution (World Bank Group)
Ant Financial (Alipay, Alibaba Group)	20.00%	Global FinTech Corporation (China)
SoftBank Vision Fund (Japan)	15.00%	Venture Capital and Private Equity
Bill & Melinda Gates Foundation	2.50%	Global Philanthropic Foundation
Money in Motion LLC (USA)	2.75%	Founding Investment Partner

Figure 4- Shareholding Structure of bKash Limited (2024–2025)

2.2.7 Divisions of bKash

The company has 10 major divisions, all subdivided into several departments, whereas the departments would be further divided into teams. These divisions include:

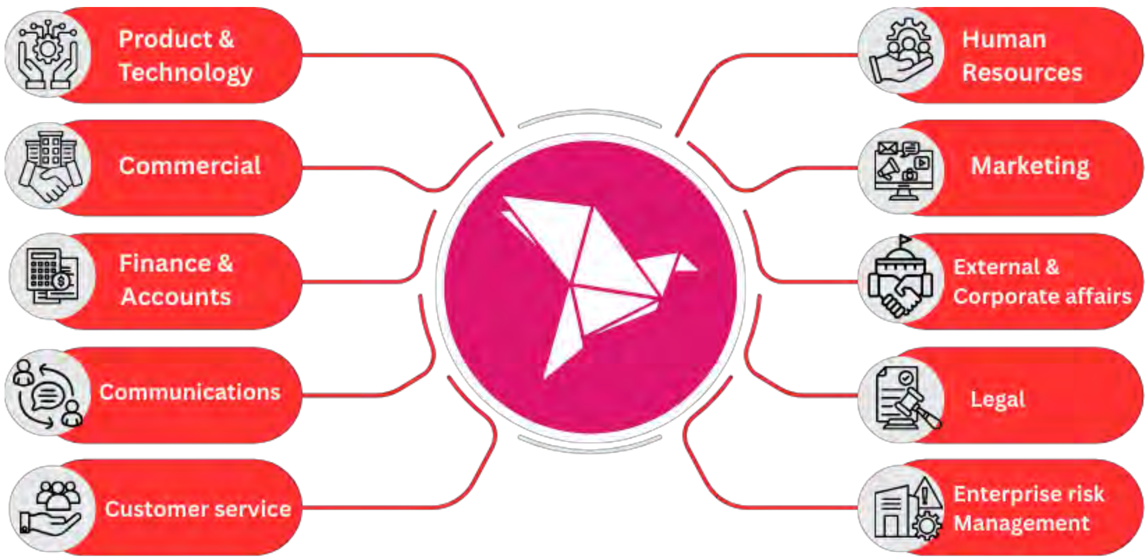

Figure 5- Divisions of bKash

2.2.8 Hierarchy of bKash

bKash adopts a hierarchical organizational structure with a defined chain of command and established roles. The Chief Executive Officer is responsible for the overall strategic direction of the company and manages it. Reports come in directly from division heads of business operations, marketing, product and technology, human resources, legal, and customer service. While the organization subscribes to vertical accountability, its departments also exhibit horizontal structure characteristics, enabling uniformity in functional representation across divisions.

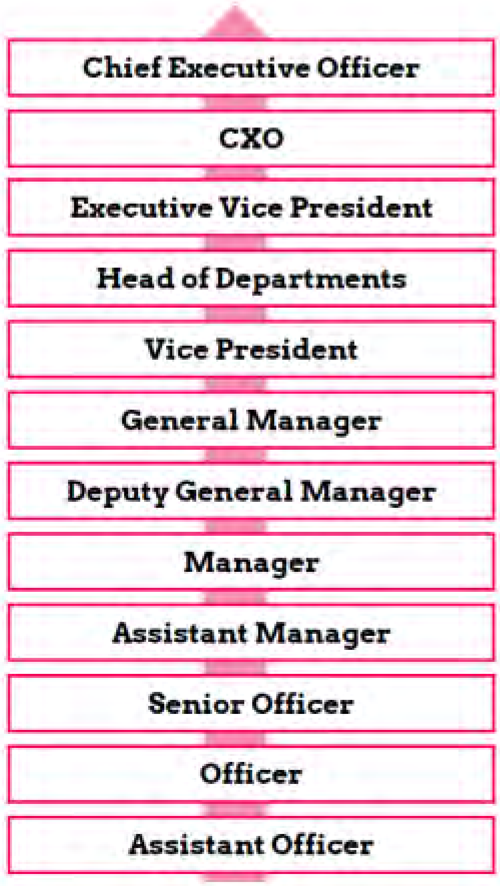

Figure 6- Hierarchy of bKash

2.2.9 Products

bKash Limited provides a broad range of mobile financial services that cover the needs of a diverse set of customer segments, such as Consumers, Merchants, and Institutions, and continues to develop its portfolio. These products are all aligned with the company's vision of enabling inclusion through safe, convenient, and affordable financial transactions across urban and rural Bangladesh.

1. Person-to-Person (P2P) Transfers

The primary service of bKash is sending and receiving money using bKash accounts. It aims to facilitate fast, secure and low-cost domestic money transfers, which are especially useful for domestic remittances from rural to urban areas of the country.

2. Cash-in and Cash-out

Over 400,000 bKash agents across the country help customers deposit (Cash In) and withdraw (Cash Out) money from their bKash accounts. Fees differ depending on total transactions and the agent being labelled as a “Priyo Agent.”

3. Mobile Recharge

This enables bKash users to easily top up prepaid or postpaid mobile accounts for all major telecom operators in Bangladesh directly from their wallets and subsequently encourages the use of digital utilities.

4. Bill and Utility Payments

It provides an easy way to pay utility bills like electricity, gas, water, and broadband. This removes users physically visiting payment centers, which saves time and reduces costs.

5. Merchant Payments

In fact, bKash also allows merchant payments in the form of both QR code and online-based payment systems. 24×7 Data Merchants can accept digital payments, get instant notifications, create payment links, and do refunds. Tends to encourage digital commerce and raise the transparency of the transaction.

6. Savings and Loans

bKash is also offering digital savings products such as the Digital Deposit Pension Scheme (DPS) in collaboration with financial institutions. It makes it possible to provide instant microloans vs user transaction histories and related credit scoring models and contributes to financial resiliency.

7. International Remittance

In addition, bKash said, users also receive money from overseas through global Money Transfer Operators (MTOs) and have their amounts added directly to their mobile wallets. It is also crucial service for all families that are dependent on overseas income.

8. Specialized Services

Additional offerings include:

● **Education Payments:** Payment of tuition, payment of exam fees.

● **Ticket Booking:** Transport and Events Ticket Bookings.

● **Donations:** Contributions to non-profit organizations (Ngos), religious organizations, and disaster relief funds.

● **Insurance Premium Payments:** Integration with Insurers At Digital Ambassador To Collect The Insurance Premium.

Available through mobile app, USSD (*247#), agent outlets, and customer care, these services make an integrated digital financial ecosystem for bKash to offer millions of Bangladeshis a national safe, one-stop, & reliable financial hub.

2.3 Management practices

bKash practices a management approach that is both democratic and participatory and at times involves elements of laissez-faire leadership. This approach promotes teamwork, partnership and staff involvement in choices. By affording freedom to employees in their respective fields of knowledge, bKash has established a dynamic work environment with the following characteristics: the recognition of individual drive, innovation, and cooperation.

The leadership of the company is based on the model of STEER: Strategic Thinking, Talent Development, Execution, Enabling Others, and Resilience. This model ensures bKash is committed to new ideas, customer needs, teamwork, flexibility, and ethical behaviour.

2.3.1 Hiring and Selection

Hiring, performance reviews, and managing employees are all carried out heavily through the Human Resources department. Every year the requirements of hiring are assessed, and job postings are placed on job boards, the career page of bKash and Websites like bdjobs. The Product & Technology division prefers recruitment based on assessment, focused on skills and technical capabilities, whereas most divisions hire based on traditional interviews. To ensure that the best talent is selected, candidates often have to undergo multiple steps such as interviews and final assessments with the department heads.

2.3.2 Training & Development

Through its b-Academy, a new progressive program in the corporate sector in Bangladesh, bKash gives great importance to staff development. In addition to quarterly-annual department-specific training, this program offers 12 core training sessions to be offered to all staff members. Specialized meetings with regional and global specialists that focus on topics such as data analytics, project management, and innovation are also beneficial to staff members.

2.3.3 Command Structure and Workplace Culture

Despite having a clear chain of command to guarantee accountability, bKash has an open and collaborative culture at its core. The encouragement of decision-making and idea sharing among staff members at all levels fosters creativity and problem-solving. The success of the organization is largely dependent on open communication, teamwork, and empowerment.

2.3.4 Reward and Incentives

Through competitive wages, performance bonuses, and recognition programs, bKash also ensures the motivation of employees. Benefits include retirement benefits, health insurance for workers and their families, provident funds, and allowances.

2.4 Marketing practices

2.4.1 Strategy for Marketing

With the focus on convenience, security, and accessibility, the marketing approach of bKash allows for financial inclusion. It advertises itself as Bangladesh's most reliable and easy-to-use mobile financial services provider. Although its primary focus remains to be the unbanked, the rural poor, bKash also caters to middle and upper-class consumers by offering various services such as bill payment, money transfers, merchant transactions, and online shopping payments. Its appeal has expanded in diverse consumer categories thanks to the just mix of a mass marketplace strategy and directed advertising campaigns.

2.4.2 Channels of Marketing

bKash uses various forms of digital and traditional marketing channels to reach its audience. While digital platforms such as Facebook, Instagram, YouTube and TikTok have enabled targeted advertising, customer service, and direct interaction, television, radio, newspaper and billboard help reach large audiences. Through these channels, bKash is able to maintain its visibility throughout the country, as well as communicate with different demographics in a personalized manner.

2.4.3 Development of Products

A key component of bKash's marketing strategies is ongoing product innovation. Beginning with basic money transfers, bKash has grown to offer international remittances, utility bill payments, mobile recharges, e-commerce payments, and savings plans. Its services are further expanded through partnerships with banks and international remittance providers, which gives it a competitive advantage over rivals like Nagad and Rocket.

2.4.4 Promotion and Branding

Convenience and trust are the pillars of bKash's branding strategy. The service is depicted as a safe, easy, and empowering service with its strong visual identity, logo, color scheme, and messaging consistency. Large-scale advertising campaigns, sponsoring sports and other events, and associating oneself with popular and famous influencers and celebrities to be the face of the brand- these are a few examples of promotional campaigns. Although the choice of these initiatives ensures high visibility, bKash often favors less sentimental associations over their practical benefits, with the firms relying on ephemeral marketing initiatives. Long-term client loyalty may be built up by developing a more compelling brand story.

2.5 Financial Analysis

However, I have tried to analyze the financial performance of bKash Ltd. to get an overview of the financial performance of the MFS companies. bKash is not a listed company, hence its financial statements are unaudited. The financial statements of the last 3 years are available on 32 BRAC Bank’s website, and these data have been used to do this ratio analysis. Therefore, based on the limited secondary data, I have analyzed the financial performance of 2022, 2023, and 2024 by calculating the suitable financial ratios.

2.5.1 Current ratio

The current ratio shows how well a business can use its short-term assets—like cash and marketable securities—to pay its short-term liabilities, like accounts payable and accumulated expenses. Current assets divided by current liabilities is how it is computed. The current ratios for bKash Ltd. over the previous three years are shown in the bar chart below. The company continuously kept its ratio above 1, which indicates that it had more current assets than current liabilities, during this time. A ratio greater than one is regarded as a good sign, indicating that bKash is running smoothly and managing its resources well.

Figure 7- Current ratio

2.5.2 Debt-to-Equity Ratio

The debt-to-equity ratio shows how much of bKash's operations are financed by debt as opposed to its own equity. It is computed by taking the total debt and dividing it by the total equity. The debt-to-equity ratio of bKash has continuously been higher than 1 over the last three years, as the bar chart illustrates. For instance, the ratio was 2.77 in 2023, indicating that for every 1 BDT of equity, the company used 2.77 BDT of debt. This demonstrates how heavily bKash depends on debt financing. Even though there is more financial risk associated with such a structure, the company may be able to increase profitability as a result of good risk management, which would make up for the risk.

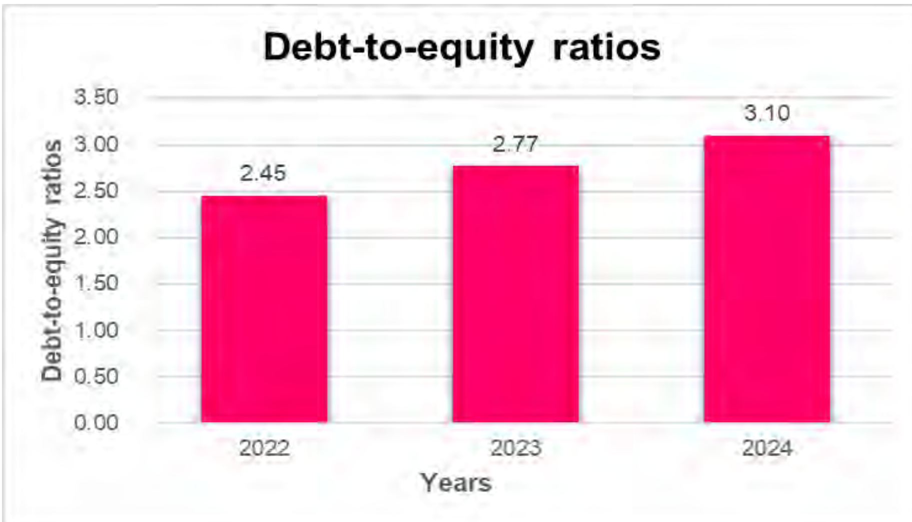

Figure 8- debt-to-equity ratio

2.5.3 Equity Ratio

The equity ratio shows how much of a company's assets are funded by shareholders' equity as opposed to debt. Total equity divided by total assets is how it is computed. Only 24% of bKash's assets were financed by stakeholder equity in 2024; the remaining 76% were financed by debt. This suggests that the business is heavily leveraged, which raises financial risk but also has the potential to yield larger returns. In 2024, bKash demonstrated a marginal improvement in its reliance on equity financing when compared to 2023 and 2022.

Figure 9- Equity ratio

2.5.4 Debt-to-Asset ratio

This ratio shows how much of a company's assets are funded by debt. For example, the debt ratio would be 81% if the equity ratio was 18%. The equity ratios of bKash Ltd. are displayed in the chart below, which also demonstrates that the debt-to-asset ratio increased in 2022 and 2023. Despite a roughly 6% decrease in debt financing in 2024, the ratio stayed high at 75.97%. This suggests that bKash's assets are largely financed by debt, which raises financial risk. As a result, even though investing in the business could be risky, there is a chance for greater returns.

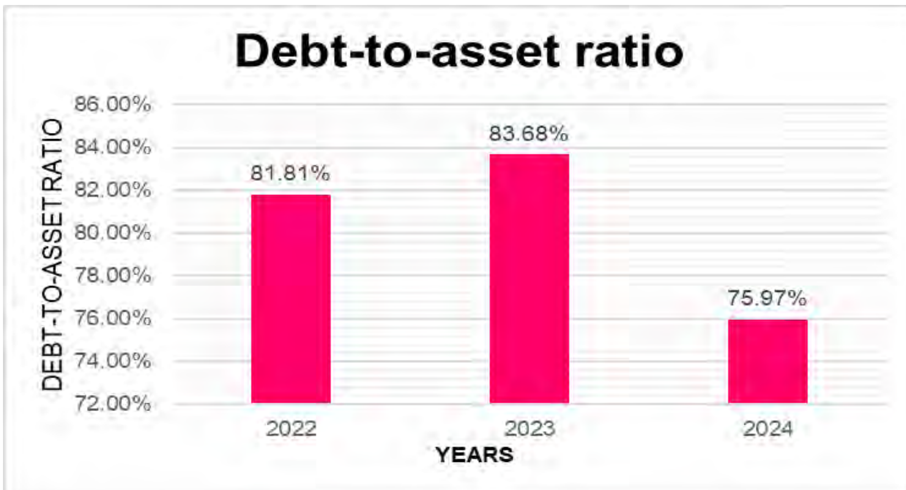

Figure 10- Debt-to-asset ratio

2.5.5 Gross Profit Margin, Operating Profit Margin, and Net Profit Margin

The percentage of revenue that a business keeps after deducting the direct costs of manufacturing its goods is known as the gross profit margin. To put it another way, it displays the profitability level before taxes, interest, and operating costs are deducted. It is computed by dividing revenue by gross profit. The gross, operating, and net profit margins of bKash over the previous three years are contrasted in the chart below. The gross profit margin in 2022 was 27.33%, in 2023 it was 30.03% and in 2024 it was 35.36%. This translates to the fact that for every BDT of revenue in 2024, bKash made 35.36 cents in gross profit.

The profit percentage remaining after the operating costs, such as rent and salaries, is called the operating profit margin. It is computed by dividing the revenue by the operating profit. Compared to the year 2022, the above ratio has seen improvement from 1.24% to 9.98% in 2024, thereby showing a constant growth on a whole. This increase shows how bKash has become effective in controlling operating costs with the passage of time.

Thirdly, the net profit margin indicates the percentage of profit that bKash Ltd made after all its expenses, which were subtracted, like interest and taxes. We are using the ratio of net profit divided by revenue. bKash's net profit ratios for the years 2022, 2023, and 2024, respectively, were 0.51%, 2.35%, and 6.24%. This means that for every BDT of revenue, bKash was making 6.24 cents profit in 2024. As a result, the net profit margin of bKash is increasing day by day.

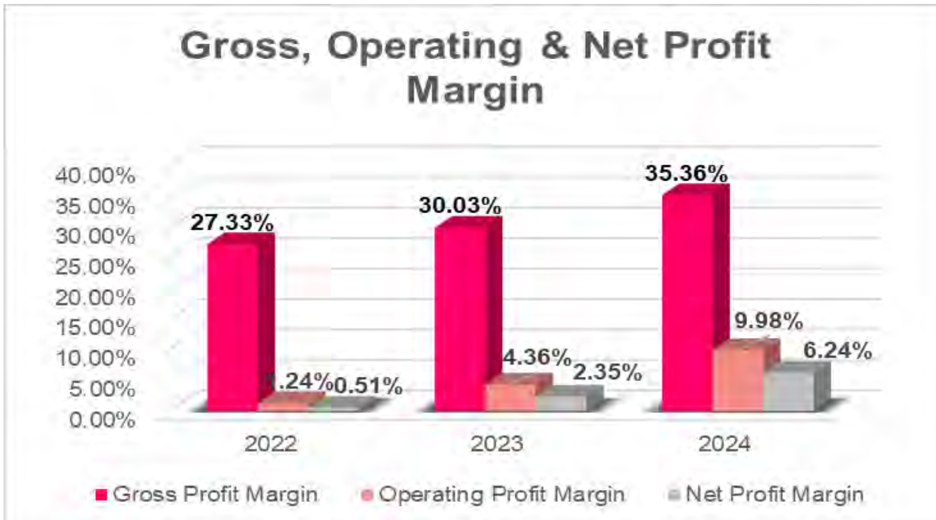

Figure 11- Gross, Operating & Net profit margin

2.5.6 Return on Assets (ROA)

Return on Assets (ROA) measures how effectively a company uses its assets to generate net profit. It's calculated by the net profit divided by the total assets, the higher the ROA the stronger is the efficiency in using the assets. The bar chart given below shows the ROA of bKash Ltd. of the last three years. In 2022, the ROA was only 0.10%, but in 2023 it rose sharply to 0.51%. By 2024, it further increased to 2.32%, meaning that for every 1 TK of assets, bKash generated 2.32 TK in net profit. Comparing 2022 with 2024, it is clear that bKash Ltd. has significantly enhanced its asset management efficiency.

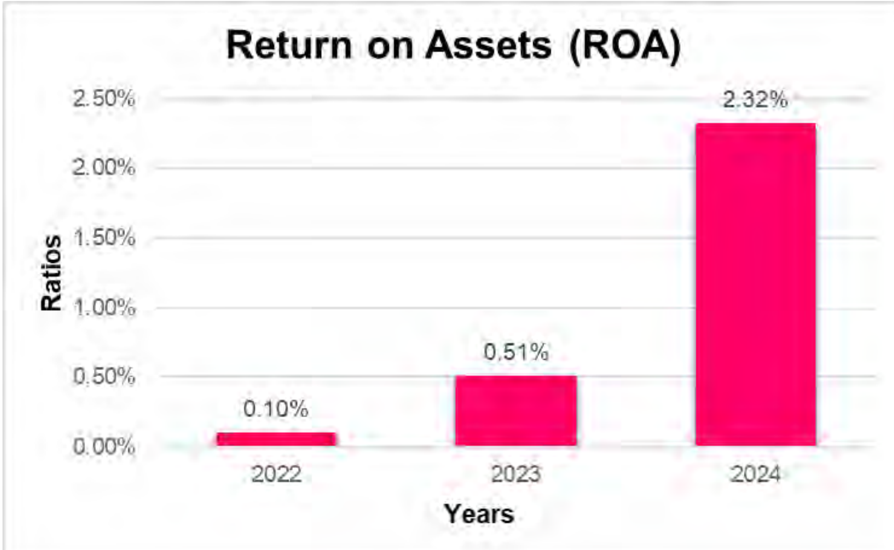

Figure 12- Return on Assets (ROA)

2.5.7 Return on Equity (ROE)

Same as the ROA, the ROE measures how efficiently a company is utilizing its shareholders' equity to generate net profit. We can get the ROE by dividing net profit by shareholders' equity. The chart depicted below shows the ROE of bKash Ltd. over the last 3 years. In 2022, the ROE was .57%, which was quite low compared to the years of 2023 (3.12%) and 2024 (9.68%). 9.68% of ROE indicates that for 100 TK of shareholders' equity, bKash Ltd. generated 9.68 BDT of net profit. Hence, we can see that bKash Ltd. is managing stakeholders' equity more efficiently compared to 2022.

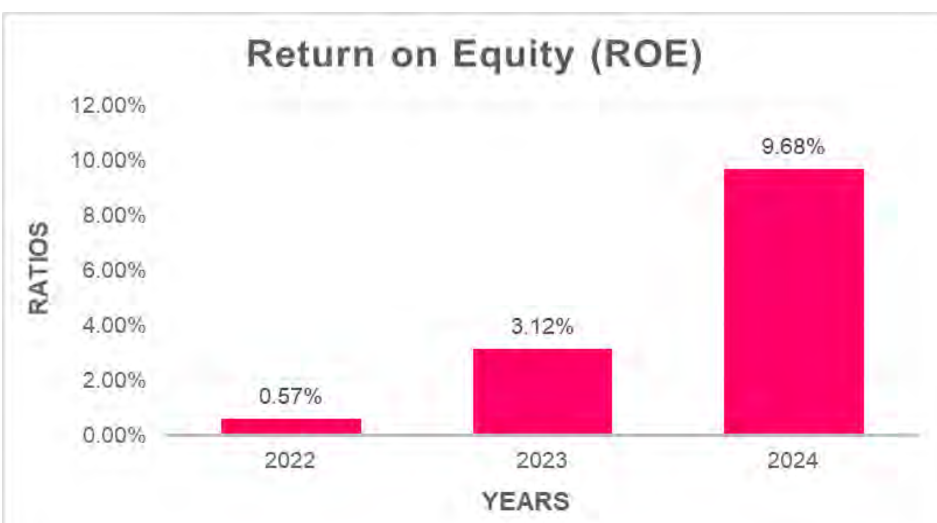

Figure 13- Return on Equity (ROE)

2.5.8 Asset Turnover

This ratio shows how well a business makes use of its resources to produce income. Net sales are divided by the average total assets to arrive at this figure. The asset turnover ratios of bKash Ltd. are displayed in the chart below, which indicates an improvement over time. The ratio was 18.98% in 2022, 25.47% in 2023, and 37.24% in 2024.

Figure 14- Asset Turnover

2.5.9 Equity Multiplier

This ratio shows how much of a company's assets are funded by shareholder equity rather than debt. It is computed by dividing total assets by total equity held by shareholders. Greater reliance on debt financing is indicated by a higher equity multiplier, whereas less reliance on debt is indicated by a lower value. The equity multiplier for bKash Ltd. over the previous three years is shown in the chart below. By 2024, the multiplier had dropped from 5.91 in 2022 to 4.16. This declining pattern demonstrates how bKash Ltd. has been progressively lowering its dependency on debt financing.

Figure 15- Equity Multiplier

2.5.10 Du Pont

To learn more about bKash Ltd.'s return on equity (ROE), I performed a DuPont analysis. This approach divides ROE into three main parts: net profit margin, asset turnover, and equity multiplier. When combined, these metrics assess a business's financial leverage, asset utilization efficiency, and profitability.

According to the analysis, bKash's ROE in 2022 was only 0.57%, mostly as a result of a poor asset turnover of 0.19 and a low net profit margin of 0.51%. With an equity multiplier of 5.91, there was a significant reliance on debt. Growth in all three components drove a significant improvement in ROE to 3.12% in 2023. Supported by a significant increase in net profit margin (6.24%) and improved asset turnover (0.37), ROE increased even more to 9.68% by 2024, a sign of increased profitability and more effective asset use.

The equity multiplier, however, increased to 4.16. Consequently, bKash had a higher profit margin in 2024 with efficient asset management but a high reliance on debt financing, demonstrating that bKash is both profitable and risky.

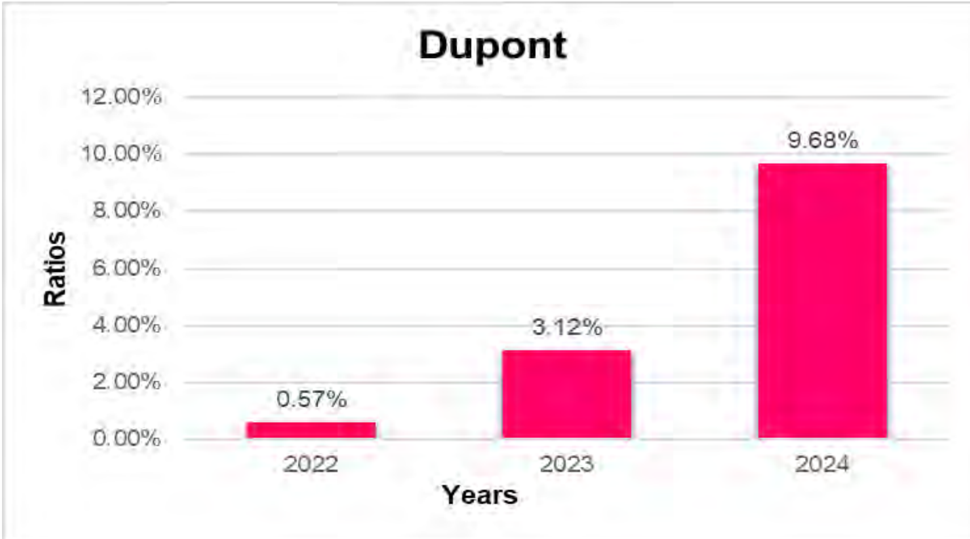

Figure 16- Dupont

2.6 Operations Management and Information System Practices

Being a leader in the mobile financial services industry in Bangladesh, bKash understands the value of a robust ITSM framework in tackling technological issues. In order to facilitate this, the business has set up an IT service management team that uses cutting-edge methods to guarantee seamless operations and high service availability. This group is in charge of managing IT service problems and incidents, promoting ongoing enhancements, and guaranteeing customer satisfaction while upholding system integrity.

Furthermore, bKash runs extensive databases that are driven by Oracle Database. Because of Oracle's strong and adaptable architecture, bKash can effectively handle large transaction volumes without experiencing any downtime, guaranteeing daily processing speed. In order to preserve consumer confidence and the integrity of the business, the organization also employs robust security measures to shield financial data from online threats. Oracle's sophisticated security features, which serve as the cornerstone of bKash's dependable and secure operations, enable these capabilities.

2.7 Industry and Competitive Analysis

2.7.1 PESTEL

The PESTEL analysis provides an insight into the factors of the macro environment that impact the operations of bKash and strategic decision-making in Bangladesh as a rapidly growing country in the FinTech industry.

Political Factors

The Bangladesh government is supportive of financial inclusion and digital changes, and this is evident in the country's work on the National Financial Inclusion Strategy (NFIS) 2021-2026. The Bangladesh Bank has imposed restrictions on Mobile Financial Services (MFS) to follow the bank-led system, which is helpful for organizations such as bKash to lay a foundation. Yet, because telecom rules are changing, MFS operational costs and network access could be impacted.

Economic Factors

Even though GDP growth is still strong, the economy will face high inflation (9.4%) and low income per person (about $1,000 yearly) in FY24, which will likely impact spending. Although bKash enjoys the advantages of greater remittance flows and a large unbanked population, low financial literacy (28%) restricts the adoption of more sophisticated services. Economic instability can affect the number of transactions and the type of financial instruments that people prefer to use.

Social Factors

A high mobile penetration with a rising youth demography (28% 15–29 years) makes a good mix for a digital services user base. However, access to the internet has been in decline due to increasing costs, as well as difficulties with digital illiteracy, particularly in rural areas. bKash still needs to work on addressing gender differentials in mobile and financial inclusion.

Technological Factors

While digital infrastructure in Bangladesh is developing, it faces high cybersecurity risks, low interoperability, and irregular Internet quality. Despite it, bKash has a first mover advantage to take lead in AI, Big Data, and future interoperability standards, but they need to invest a lot in cybersecurity and use literacy.

Legal Factors

Lifestyle Cash introduces a new way to extend consumer protection and works closely with bKash under MFS Regulations 2022 and AML/CFT laws from around 2023. With the Data Protection Act 2023 coming soon, new rules will require better handling, security, and storage of user data locally. Because of these frameworks, you'll need strong internal controls to meet your business responsibilities.

Environmental Factors

It is not the central point, but as a digital service, bKash has a positive contribution by saving paper and carbon footprint. This platform can be instrumental for green finance, microinsurance to climate-affected communities, and disaster-relief disbursements in line with national sustainability objectives.

2.7.2 SWOT

A SWOT analysis (Strengths, Weaknesses, Opportunities, and Threats) is a strategic planning tool used to identify internal and external attributes to leverage or address. The present analysis will prove to be crucial in explaining how bKash Limited can sustain its position of leadership in the present and future scenario of the Bangladesh FinTech industry as it progresses through a fast-changing digital economy with its associated risks.

Strengths

1. **Market Dominance and Brand Leadership**
   bKash is the largest provider of Mobile Financial Services (MFS) in Bangladesh with more than 80 million registered users, and the company has a market share of more than 70%. It is perhaps one of the first names that comes to mind when thinking about digital transactions in this country, leading to a high level of brand equity and customer trust.

2. **Comprehensive Distribution Network**
   bKash has more than 400,000 agents connecting with customers through a large network. This allows everyone throughout the world, including the outlying country areas, access to its services. This wide reach is a big advantage and brings financial services to the table for people that were left out previously.
3. **Diverse and Scalable Portfolio of Services**

bKash offers different services such as transfers between people, paying for utilities and bills, mobile top-up, international money transfers, savings plans, and small loans, in one place. You can access bKash via mobile apps-alone agents throughout the country, as well as customer support. bKash operates as a complete digital financial system.

4. **Robust Investor Support**
   bKash has a diverse variety of global investors. These include BRAC Bank, IFC, Bill & Melinda Gates Foundation, Ant Financial (Alibaba Group), and Softbank Vision Fund. Their inclusion means funding, good global governance, and technical expertise.

Technological Innovation

As this is the largest mobile financial app in Bangladesh, bKash is leading the pack of digital finance here. They make use of things like QR payments, AI fraud detection, special offers based on customer data, and easy-to-use mobile options. This has helped them become a key player in FinTech in terms of tech.

Weaknesses

1. Operational Complexity to Scalability Issues

Thousands of agents and tens of millions of users are difficult to maintain from a logistical and operational point of view. Variability in service delivery & agent character can result in a poor user experience.

2. Cybersecurity Vulnerabilities and Fraud Risks

The low digital literacy amongst large segments of users makes the platform susceptible to fraud in the form of phishing, SIM swapping, and social engineering. These investments do not eliminate the risk; however, risks remain difficult to remove.

3. An Over-Burdened Customer Support

For a peer-to-peer service with so many users, sometimes bKash finds it difficult to provide customer service to people fast or during mass outages, etc. Delayed refunds/Resolution of cases can hamper customer satisfaction.

4. Reliance on Third-Party Financial Institutions

bKash is not an actual bank, with its own license, but believes in collaboration with banks and NBFIs to offer savings and credit loan products. This dependence limits its capacity for independent innovation and its income from financial products.

5. Pricing Perception and Fees Sensitivity

Another concern for some users is that cash-out charges (say, BDT 18.5 per 1,000 above a certain system) and service fees are deemed high, particularly when compared to up-and-coming competitors that are also starting to offer transactions at a lower cost. Such price sensitivity may motivate a change to whatever alternatives.

Opportunities

1. Product Diversification of Credit, Investment, and Insurance

There is a high need for services such as micro credit and micro insurance and savings among the poor and middle-income people. bKash has an opportunity to expand from merely providing transactions to becoming a complete digital financial center by introducing services related to loan, and insurance.

2. Advanced Data Analytics and Implementation of AI

Since bKash deals with so many transactions, they are able to put more in lines of AI and machine learning. This has helped them to make better credit scores, create product bundles that fit each person, identify fraud when it occurs, and keep customers happy.

3. Growth in Remittances and Diasporas Services

Bangladesh receives a lot of money because of those who work outside the country. By working more with international money transfer services, bKash could get a bigger piece of the international money transfer market. This would allow people to send their money more quickly and safely.

4. Transoceanic Digital Ecosystem Integration (e-Commerce, Ride Sharing, G2P)

Collaborations with e-commerce platforms, transportation apps, and social protection schemes (G2P payments) by the government can boost the volume of transactions for digital transactions and encourage the adoption of digital currency.

5. Contribution to Green and Inclusive Finance

In an era of ESG (Environmental, Social, and Governance) perspective, bKash can develop numerous sustainable services from green loans to disaster relief eco-payments and climate-affected population eco-insurance that will lead directly or indirectly to national development objectives.

Threats

1. Rising Market Competition

Rival players Nagad (bound with Bangladesh Post Office), Rocket (DBBL), Upay (UCB), etc., are fast capturing the market with the activities of lower pricing, cashback, and digital onboarding. If not addressed through a strategic approach, this competition could gobble up bKash's market share.

2. Pressure of Regulation and Compliance

The introduction of the Data Protection Act 2023, enhanced compliance requirements in AML/CFT, and the MFS interoperability framework coming up potentially create new challenges. These changes will require a lot of investment in compliance, data security and risk management systems on the part of bKash.

3. Risk of Technological Disruption and Innovation

One of the fastest-growing industries is FinTech. Emerging players or disruptive technologies, including but not limited to blockchain-based payment systems or DeFi, may well disrupt the bKash-centric MFS model and compel bKash to innovate with breakneck speed or lose its existence.

4. Economic Unstable and Inflationary Pressure

Bangladesh, as we speak, is contending with a macroeconomic environment of elevated inflation, depreciation of the currency, and shrinking real purchasing power amongst swathes of her population. This will result in lesser use of the feature and low transaction volumes most likely for the non-essentials.

5. Brand Reputation Risk

If a high-profile company does a really bad job, say, flubs some security breach, has a prolonged service failure, or faces a regulatory fine, because of it it damages people's trust in digital currencies. Even small stories with negative connotations can lead to damage in reputation and touring.

2.7.3 Porter's Five Forces

The following content is a detailed assessment of the Five Forces framework from Porter through which the strategic decisions of bKash Limited are evaluated with the FinTech industry and Mobile Financial Services industry in Bangladesh. In the current environment of maturing industries and intensifying competition, insights into these forces are essential for sustainable growth and competitive advantage.

1. Threat of New Entrants - Moderate to High

The financial sector itself is one of the most regulated sectors of Bangladesh, and though these institutional barriers to entry are still in place, ubiquitous growth of digital technology and the adoption of a pro-digitalization agenda like Digital Bangladesh Vision 2021–2041 among others has diagenetically cemented the existing ground rules on entry through cemented polices and regulatory frameworks. FinTech startups and MFS providers can sneak into the market with app-based solutions and often partner with telecom operators or banks to meet licensing conditions in mass market segments.

However, considering that bKash possesses a first mover advantage, consumer trust, and heavy scalability of infrastructure. With 80 million-plus registered users and 400,000-plus registered agents, it is hard for other companies to match its depth of reach and number of operating agents. On top of this, brand awareness and consumers being familiar with the product make switching behavior to the actual user incredibly low, even if a new competitor enters in the upper funnel with lower transaction fees or quicker onboarding.

But Nagad and Upay's entry into the market and the increasing number of customers they are getting are showing that barriers to entry are breaking down, particularly for those firms that had government or telecom backing. All of these players are therefore competitive challenges to bKash, particularly around price and product innovation.

2. Bargaining Power of Suppliers - Low

In bKash's ecosystem, suppliers include:

- Telecom providers (for USSD and mobile network access),
- Technology vendors (for infrastructure, security, cloud services),
- Banking partners and payment processors, and
- Government service platforms (e.g., EKYC integration and ID verification).

While, as tech critical resources, bKash has a variety of suppliers, the concentration, financial strength, and the long-term contracts associated with bKash have given it a considerable reduction in supplier leverage. It utilizes several different service providers, which spreads risk and allows them to broker good deals. Also, since most services are partially developed in-house or with aligned stakeholders, e.g., with BRAC Bank, it avoids over-dependence.

3. Bargaining Power of Customers - Moderate

Customers have very little bargaining power on bKash on an individual level as it is very accessible, trusted, and easy to adopt. On the other hand, for merchant partners, high-volume users, and institutional clients (mostly urban) the fees may be lower or discounted, settlements may be much faster, and the service may be customized.

Furthermore, the emergence of Nagad and Rocket on the market with lower transaction costs and cashbacks has also given customers some alternatives. Both of these can shape consumer behavior, as cost-conscious users may migrate platforms if the differences in cash-out fees and charges from the merchant become substantial.

To counter this, bKash does cashback campaigns, provides offers like “Priyo Agent” discounts, loyalty-driven campaigns, and packaged services like savings and microloans. Yet in poorer, more rural segments, price sensitivity is still a danger.

4. Threat of Substitute Products or Services - High

Substitutes for bKash’s core offerings come from:

- Competing MFS platforms (e.g., Nagad, Rocket, Upay),
- Banking apps and internet banking (e.g., Islami Bank mCash, NexusPay),
- Cash transactions (still dominant in rural areas),
- Physical banking for loans/savings,
- International platforms (e.g., Wise, Payoneer for remittances).

Additionally, many new technologies like blockchain payments and crypto wallets (as long as they do not get officially regulated) can be a long-term substitute.

And the new MFS entrants could provide fee-free peer-to-peer transfers, quicker customer onboarding, and lower merchant fees, and that would be a functional alternative to bKash.

5. Industry Rivalry - High

The competitive intensity in the MFS and FinTech space in Bangladesh is significant. While bKash holds a leadership position, Nagad, supported by the Bangladesh Post Office, has rapidly gained market share through:

- Lower fees
- National ID-linked onboarding
- Aggressive promotions and digital campaigns

Other players such as Rocket (by Dutch-Bangla Bank), Upay (UCB), and even emerging Neo-banks and digital credit platforms are pushing into overlapping service areas like savings, merchant payments, and microloans.

Rivalry is further intensified by:

- Regulatory changes like interoperability mandates, which may reduce the “network effect” bKash benefits from,

- Consumer price sensitivity, and
- High marketing spending by competitors.

To maintain leadership, bKash has to invest continuously in:

- Technology upgrades (e.g., AI, app interface),
- New partnerships,
- Customer loyalty programs, and
- Brand trust management.

According to Porter Five Forces analysis, bKash Limited is operating in a highly competitive, innovative, and driven market with a serious threat from the rivals, a serious threat from substitutes and changing technology, strong pressure from changing technologies, shifting expectations, and cost minimization, strong attack by disengaged customers. Still, its position at the top of its industry, reputation as a household name, and broad range of products act as solid moats. To maintain its leadership, bKash needs to keep upd850 adapting the innovative solutions towards financial services, emerging innovations, regulatory shifts and technological changes in the FinTech ecosystem.

2.8 Conclusion

With its continued dominance of the market, bKash has become the most notable participant in the Mobile Financial Services (MFS) industry. Customers can now open bank accounts and manage their currency from the comfort of their homes thanks to the company's expansion of access to standard financial services through mobile banking. Customers have benefited greatly from this innovation, which has also established a standard for the industry.

bKash has boosted its brand recognition and supported the value of customers in its business model by putting in place customer-focused initiatives and strategic marketing campaigns. The customer care, finance, accounting, external affairs, as well as any IT departments in the company have all switched to cutting-edge procedures that allow for better operations overall. Being in all districts of the nation, bKash has created the most reliable and most widely accessible channel network amongst its competitors, thus becoming an integral part of the financial services ecosystem.

By integrating ledger accounts with bKash accounts and providing services like bill payment, Click-to-Pay, business-to-business transactions, mobile recharges, and remittances, bKash gives its clients even more value. These offerings provide a range of financial utilities directly from the bKash platform.

Due to the oligopoly nature of the MFS market, competition is progressively growing. bKash needs to concentrate on improving its pricing tactics, marketing, operations, and IT infrastructure in order to keep its top spot. The company will be able to maintain its market leadership with strategic improvements in these areas.

Oracle's strong and adaptable architecture enables bKash to effectively handle large transaction volumes, guaranteeing quick processing without any downtime. Furthermore, Oracle's security measures defend the organization's integrity and confidence by defending private financial data against online attacks.

Chapter 3

Project Part

Determinants of employee retention of financial institutions: A case study on bKash

3.1 Introduction

Employee retention is a modern backbone of an organization, even in the financial services industry where knowledge, expertise and client relations are the key to its business success. Human capital capabilities are crucial to organizational performance and sustained competitive advantage in knowledge-intensive industries (Rahaman, Uddin, & Latif, 2022). Retaining skilled employees not only helps deliver quality services, but it also leads to better innovation, productivity and customer trust in the long run. Therefore, these employees are critical for business continuity and the retention of organizational culture and institutional knowledge.

One of the most difficult aspects of hiring employees is that a large number of them turn out to be unreliable. Loss of top-quality talent raises recruitment costs and disturbs workflows, as units need to be invested in training and onboarding potential replacement hires (Saleh, Mehmood, Khan & Jan, 2022). Employee turnover can negatively impact a company's finances, culture to someone who remains, disrupt teamwork, and reduce the quality of service. It's very important to make the employees happy, especially in areas such as finance as companies are always fighting to get the best people and the way technology and markets move so quickly (Steil, Bello, de Cuffa, & de Freitas, 2022).

Keeping employees around is harder than people think and has two sides: what makes employees happy inside themselves and what the company offers them. Many studies agree with this idea. Some of the core determinants consist of adequate pay, employee benefits, opportunities for job advancement, leadership, workplace environment, and performance evaluation systems (Ali et al., 2021; Niu et al., 2021; Park et al., 2021). Employees with certain skillsets that are in high demand can command competitive pay and attractive benefits packages to encourage them to stick around (Suprayitno, n.d.). Likewise, policies for work–life balance (for example, flexible work arrangements and family-supportive leave policies) lower burnout and increase employee commitment (Rahaman et al., 2022).

Leadership style is one of the more prominent factors affecting retention rates. Studies have demonstrated that transformational leadership, which motivates employees by appealing to a common vision, ethical behavior and individual attention, may improve employee engagement and commitment (Ali et al., 2021). The perception of ethical leadership (i.e., fairness, transparency and trust-building) reduces turnover intentions and enhances a feeling of belonging (Saleh et al., 2022). Perceived fairness in procedures, known as procedural justice, is also highly correlated with retention, as employees who perceive organizational procedures as stable and just are more likely to remain loyal (Bangsu, Darmawan, Hardyansah, Suwito, & Mujito, 2021).

Studies on why people stay at their jobs show that chances to grow in their careers and learn new skills are important, along with good leadership and pay. When companies offer training, chances for professional growth, and clear paths for moving up, workers are more likely to see a future with the company (Park et al, 2021). These plans are even better when companies also praise good work, since feeling valued makes people want to stay (Nethravathi et al, 2021). Plus, research has shown that liking your job because it feels like an important role, having job security and getting along with your co-workers are all direct factors in deciding whether people are willing to stay at a company (Steil et al., 2022).

Retaining employees is an important strategic issue. Keeping top performers enables companies to have a stable workforce, consistent brand recognition, and employee satisfaction is heightened (Awolusi & Jayakody P. 2021). On the other hand, high turnover means more costs and less competitive edge and market share for a company. So, the financial service companies should have full retention plans that integrate financial rewards with management support, career development opportunities and a fair workplace.

Employee retention is not just a Human Resources (HR) concern, but a strategic necessity with an enterprise-wide footprint on organizational performance on multiple levels. The key determinants identified in previous research including compensation and benefits, leadership style and procedural justice point to the desirability of evidence-based, organization-specific strategies applicable to the particular characteristics of the financial services sector. Building on this understanding, AZC enables exceptional analysis of retention practices and provides the building blocks for the means required to design targeted interventions that stabilize workforces and reinforce organization resilience.

3.2 Literature review

3.2.1 Employee Retention

Organizational retention is the capacity of an organization to retain its employees (max) over some time (minimum) period (Nethravathi, Aithal, Babu, Soans, & Jayaraj, 2021) with involvement, motivation and create commitment among employees towards organizational goals. Not just about retaining employees from quitting, but building an atmosphere of work where employees consistently want to stay, because they feel valued, supported and given opportunities to grow (Ali, Niu, & Rubel, 2021) Why this matters: Retention has become regarded as a strategic issue, especially in those sectors where the quality-of-service delivery, organizational image, and profitability are dependent on effective and committed workers (Rahaman, Uddin, & Latif, 2022).

So it comes to the need to retain employees. This is because employee retention has direct correlation with organization performance. Turnover is a costly issue for organizations, having the potential to disrupt the workflow, create gaps in institutional knowledge, and result in new recruitment and training costs (Steil, Bello, de Cuffa, & de Freitas, 2022). On the other hand, keeping talented employees leads to continuity of operations, customer loyalty, and stability of the organization (Park, Kim, & Nguyen, 2021). With ongoing challenges in Labour sectors, those organizations that manage to have fewer turnover rates will be able to retain key skills and high morale within the workforce with a more stable human environment for operations (Saleh, Mehmood, Khan, & Jan, 2022).

Retention efforts usually include financial and non-financial components. Financial incentives are effective to decrease turnover and they include competitive compensation packages, performance and other bonuses, and health insurance (Suprayitno, n.d.). However, studies show that non-financial factors such as career development opportunities, facilities for work-life balance policies, recognition programs, and a good culture within the organization, have a similar or even greater effect on encouraging employees to stay with their employer (Awolusi & Jayakody, 2021; Bangsu, Darmawan, Hardyansah, Suwito, & Mujito, 2021). All these strategies good together to enhance employees' overall happiness at work which is closely related with intention to leave (Steil et al., 2022).

In addition, the leadership style that the company possesses is one of the key factors that affect the retention rate. Utilizing transformational leadership, which is defined by leadership that is inspirational, visionary, and individualized (Ali et al., 2021), is statistically related to increased employee engagement and loyalty. In addition to that, ethical leadership is all about justice, trust and moral conduct, and it reduces the turnover intentions by maintaining a culture of integrity and psychological safety (Saleh et al., 2022). Fairness in the decision-making process, promotion and conflict resolution which could be a reflection of support from the organization, is associated with higher commitment to the organization (Bangsu et al., 2021).

At the end of the day, retaining employees is not a one-and-done process, it is a continuously evolving practice that needs purposeful and adaptive strategies. It is therefore necessary for organizations to consistently measure the determinants of retention in their specific settings, tailor intervention to changing needs of employees, and create an atmosphere that facilitates career and job satisfaction (Rahaman et al., 2022). Hence this retention can be critical for companies to protect their human capital, improve productivity and have a pathway to sustainable growth in an ever-changing competitive world

3.2.2 Factors of Employee Retention

Previous studies have discovered a number of factors that have an impact on retention of employees in financial institutions. Key factors include:

Compensation and Benefits

One of the main factors of retention is compensation and benefits (Introduction to employee compensation, 2022, Suparyanto, n.d.) competitive pay, bonuses, and comprehensive benefits packages are some of the main compensation practices.

Work-Life Balance Policies

Flexibility in working hours, leave policies, and policies around stress management (Rahaman, et. al. 2022) are important in reducing burnout and increasing loyalty.

Career Development Opportunities

Providing training, skills workshops, and pathways for a promotion helps ensure that people stay long-term (Park et al., 2021).

Leadership Style

Transformational and ethical leadership styles help in better engagement, trust, and retention, while poor leadership is a primary reason behind turnover (Ali et al., 2021; Saleh et al., 2022).

Performance Appraisal and Recognition

Fair and transparent evaluations with recognition of achievements can be great motivation boosters for retention (Nethravathi et al 2021).

Work Environment

Providing a safe, inclusive, and skill-acquiring collaborative environment is directly related to employee satisfaction and retention (Bangsu et al. 2021)

Procedural Justice

Fairness in how policies, decision-making, and career progressions are implemented builds trust and loyalty (Bangsu et al., 2021).

Many of the above factors are correlated with one another and affect one another indirectly through job satisfaction and employee engagement (Ali et al., 2021).

3.2.3 Outcomes of Employee Retention

The advantages of employee retention range from strategic, operational, and financial benefits that help make an organization sustainable, competitive, as well as high performing in the long term. Organizations associated with high retention rates shield their human capital from the aggregation of skills, knowledge, and experience that an organization possesses over a period of time, which is vital for sustaining service delivery, organizational effectiveness, and innovation (Nethravathi et al., 2021). On the other hand, high turnover disrupts the workflow, breaks the institutional knowledge, creates instability in customer relationships, and is frequently followed by reducing productivity and quality of service (Bangsu et al., 2021; Rahaman et al., 2023).

Cost efficient

Cost savings through effective employee retention is one of the most immediate and quantifiable results of effective employee retention. Hiring, onboarding, and training new employees consume organizational resources, both in terms of direct costs and associated opportunity costs due to lost productivity during the transition period (Awolusi & Jayakody, 2021). Reducing such expenses by retaining competent employees allows organizations to utilize those funds toward strategic activities like innovation, technology utilization, and increased market development (Rahaman et al., 2023).

Productivity boost

Organizational performance and productivity is often greater with longer-term employees. They often have built strong experiences in the company processes, built strong networks within the company, and are better at solving problems, which increases the overall operations (Steil et al., 2022). In the service industry, experienced employees can understand the client's requirements well and know how to maintain service quality in a way that makes the customer happier and more loyal (Nethravathi et al., 2021). Stable customer-employee relations are important in financial institutions, where confidence and stability are crucial elements for enduring customer relations (Rahaman et al., 2023).

Employee engagement

When a company keeps its employees, there is more positivity in the office atmosphere, leading to a boost in the morale and involvement in the process. Low Turnover Can Indicate Opportunity for Growth Across The Company Entry-level jobs to mid-level jobs are all available to employees. A steady environment makes people feel that they are part of it and that encourages commitment and the will to work harder to make the business better (Ali et al., 2024). Good retention rates are also protective of good company culture since stable teams create better relationships and establish trust and teamwork (awolusi&jayakody, **2021).**

Employer branding

Retaining employees for a period of time is good for a company's reputation. People want to work for places that have a good name, such as happy working with their staff, having a good career, and job security (Suprayitno, 2024). This good reputation helps to get better job applicants and keeps the customers, investors, and partners happy, as they look at a stable workforce as proof of a dependable business (Saleh et al., 2022).

Talent development

Knowledge management and the potential for innovation are supported by employee retention. When employees are with an organization for long duration, they learn valuable insights and skills that help them in solving problems and improving processes (Bangsu et al., 2021). High turnover may cause the loss of important institutional memory, as well as a decreased competitive position due to a knowledge drain (Steil et al., 2022). In contrast, good retention has importance due to the continuity in research and development, as well as in service delivery (as is important in heavily regulated industries that move quickly).

Resilience development

Just in the end, some good retention strategies help organisations to become resilient in nature. At a time of economic uncertainty or crisis, having a dedicated and talented workforce helps organizations to adapt faster, stay stable, and recover faster than an organization with high labor turnover (Rahaman et al. 2023). Tenured staff have a sense of context and flexibility in handling the change that eases the strenuous work for building more resilience within the organization (Ali et al., 2024).

To sum up, the advantages of retaining employees do not culminate in the reduction of hiring costs. Organizational retention provides enhanced process in operations, improving customer service offers, gaining innovation, fostering resiliency of the organization, achieving higher retention levels in customer service, and the opportunity to attain greater levels of employer branding and organizational resiliency, which is essential for ensuring long-term organizational success (Nethravathi et al, 2021; Rahaman et al., 2023; Steil et al., 2022).

3.3 Employee Retention Practices of bKash

At bKash, employee retention is achieved not only a competitive form of compensation, but also through an integrated approach providing competitive pay, a purpose-driven culture, growth potential, and strong leaders. bKash strives to develop an environment and culture where employees feel valued, are empowered, and connected to a larger mission. Employees are recognized and rewarded through supportive development programs and transparent recognition systems. By cultivating an inclusive, collective workplace culture, bKash has attracted a wealth of talent that engages employees and supports long-term loyalty.

Competitive Pay, Bonuses, and Benefits

bKash offers one of the few salary growth structures with double-digit growth in the market. That makes it a future-looking company and instills a financial sense of progression into its employees. bKash also does an annual Mercer market survey to benchmark its salary structure and benefits, so pay remains at or near industry medians. Performance bonuses, increments, and benefits are all performance-linked, which increases transparency and trust.

Even the mundane daily perks like subsidizing lunch and covering family health insurance mean employees at bKash fret less about their jobs and home. These measures combined reduce job-hopping tendencies and deepen employee commitment long-term.

Purpose-Driven and Value-Driven Culture

The mission of Financial Inclusion for All by bKash provides a common objective for the employees, while organizational values aid the various departments in making decisions in a consistent manner. The culture at bKash is flexible, empowering and supports creative endeavours within the ambit of compliance. For young employees who want more freedom to be creative, it is very good to see.

Frequent cultural & social events provide employees with opportunities for engagement on a cultural level as well as a social level such as Employee Night, “Pohela Falgun”, International Women's Day or “Pohela Boishakh”. Through their Exemplify Projects, bKash makes a better experience for their employees through awareness sessions (such as investment fairs), feedback mechanisms (such as HR chatbots) and well-being programs.

Career Growth and Learning Opportunities

Fast business growth—onboarded over 8 crore customers, 8 lakh merchants, 3.5 lakh agents—creates natural marketing opportunities, which have been increasing year-over-year. The bKash Academy mission is to provide development programs for all employees to develop professional skillsets of their choice as well as strength in their capacity through leadership programs at different management levels.

The company supports employees' right to engage in any training activity which may be rational, necessary, and result in tangible benefits to the company, and will not limit employees' skill development due to costs. This "open access" approach to learning and willingness to invest in people ultimately supports long-term career plans.

Leadership Style and Trust

Retention at bKash relies upon the quality of leadership. bKash employs the S.T.E.E.R Leadership Code: Strategist, Talent Developer, Enabler, Executor, Resilient, that has taught a common understanding of what leadership entails. Leaders are open and approachable giving employees the ability to voice expressions and provide meaningful and purposeful contributions. Feedback is routinely gathered from employees to evaluate what training and development activity a leader may need, and this creates trust and loyalty.

Recognition and Appreciation

In addition to goals, bKash rewards how the organization gets results. The STAR Award (biannual) recognizes one excellent contributor every 200 employees. The CEO's Award (annual) recognizes the most impactful STAR award winner by awarding Tk 50,000, and making it known publicly. The Long Service Award recognizes all employees with over 10 years. The divisional awards recognize department level contributions. Overall, these awards serve to provide pride, belonging and loyalty.

Employer Brand, Compliance, and Well-Being

bKash, a multi-year winner of both “Best Brand” and “Best Employer”, provides its employees with the recognition of working for a reputed, socially responsible, transparent, and compliant business. Employees are proud to have the ability to impact millions of people in Bangladesh, which aligns with their own purpose.

Well-being is embraced as part of the Exemplify Projects, not limited to mental health; it includes work-life integration and engagement. Remote work is not the norm; however, there can be flexible arrangements on occasion, and mental health initiatives are evolving, together with the development of specialists on boarding.

3.4 Findings & discussions

3.4.1 Findings

Competitive Compensation as a Foundation

Both literature and company practices show that employee retention is anchored in competitive pay at bKash. bKash systems of pay has made employees feel financially rewarded, and future-driven in their earning potential through their extensive systems (such as having a double-digit salary increase scheme and benchmarking as part of the Mercer market survey). As research by Park et al., (2021); Bangsu et al., (2021) concluded, competitive pay and benefits are major external motivators. Performance bonuses tied to goals, transparent increment scheme, and more tangible benefits like family health policies and subsidized lunches, help mitigate financial uncertainty, increase job security, and build goodwill towards the employer. As noted in the literature, while it is not enough on its own, pay is an essential prerequisite of retaining employees and has to be coupled with intrinsic motivators.

Purpose-Driven and Value-Driven Culture Strengthens Engagement

bKash's mission: Financial Inclusion for All, is the unifying purpose to create internally motivating and loyal sentiments. Research literature implies that the personal values match with the organizational values increases the cultural cohesion; and increases the retention (Bangsu et al., 2021). The practices seen by the Company are consistent in a number of ways. First, they have the value-centered process of decision-making among all departments. Second, they make possible the taking of decisions, working for the company, within flexible compliance frameworks that encourage creativity. Last, the company is also responsible in promoting the well-being through cultural/social events and their Exemplify Projects which spur social connection.

It can't be stressed enough that these are practices that have huge meaning with younger employees who put premium on autonomy, creativity, and meaningful work. Literature and findings in this case has identified that a collective purpose leads to minimizing tension and friction in the workplace and performance that is consistent and engaged.

Career Growth and Learning Opportunities as Retention Drivers

Studies have been published time after time that indicate career development, and formalized growth paths are significant retention factors in the industry (Steil et al., 2022; Rahaman et al., 2023). bKash's investment in b-Academy, leadership programs, and open-access training, with the unlimited funding, clearly reflects this data then.

In practice, bKash's size and fast-moving company does allow organic promotion and soon employees can use their skill without long delay. The overall willingness to invest in skill development also consistently demonstrates long-term commitment to talent and their future, thus increasing engagement and overall loyalty and decreasing turnover intentions.

Leadership Style: The Role of Trust and Accessibility

Leadership quality, trust, and psychological safety have been identified in literature as key to retention (Awolusi & Jayakody, 2021; Saleh et al., 2022). bKash operationalizes this with the S.T.E.E.R Leadership Code, which establishes expectations around strategy, talent development, enablement, execution, and resilience.

The company leadership style us open door and promotes employee voice and input. Feedback loops also help leaders adjust as necessary to their team and keep them engaged. The overall style of leadership allows team members to have authentic, accessible, and responsive leadership which fosters trust, engagement and long-term commitment.

Recognition and Appreciation Reinforce Commitment

According to the literature, recognition is a critical intrinsic driver for retention. The STAR Award, CEO's Award, Long Service Awards and divisional awards that bKash has are all levels of recognition—whether symbolically or financially—often links an act of helping coworkers with pride and belonging.

Public recognition is one way to consolidate the connection between valued behaviours, and it benefits emotional attachment to work and the organization as a factor for sustaining engagement.

Employer Brand and Compliance and Well-Being are Retention Anchors

bKash's reputation as a top employer and socially conscious company (Best Brand and Best Employer) builds good employee loyalty although this is not normally discussed in retention studies. Their programs for mental health and well-being such as the Exemplify Projects demonstrate a whole system of support for employees.

Although remote work is not common bKash is becoming a little more flexible and focused on employee well-being; showing they are trying to adapt to the modern workforce needs.

3.4.2 Overall Discussion

The data suggests that bKash retains employees due to what they get (pay and benefits) and how they feel (company culture and growth opportunities). Pay and benefits are important, of course, but so are a sense of purpose, career growth, good bosses and a system that rewards good work. A good reputation as an employer, and efforts to improve the well-being of one's employees, which helps to improve their happiness, only increase this commitment.

This full strategy reflects what the leading fintech corporations and financial institutions are engaging in (Suprayitno., 2024; Rahaman et al., 2023), demonstrating that keeping people entails managing the economic, cultural, development and emotional needs all together.

3.5 Recommendations

- When employees can't see a way to advance, they tend to leave. bKash might think about creating career paths for each job. These paths would lay out what skills, schedules, and goals would feel like doing a really good job and not to look for other jobs.

- There is still some flexibility informally but formalizing a hybrid working policy with, for example, two days a month for eligible positions would be useful in balancing the work-life needs of employees and provide greater support for working together and compliance purposes. This policy contributes to our ability to attract interest from mid-career professionals who are looking for steady work, but not the flexibility of informal arrangements.

- Add metrics on employee engagement and retention to manager performance evaluations. Managers should also receive training about coaching and developing employees, empathy, and conflict resolution so that managers view retention as a shared responsibility of leadership, not purely the domain of HR.

- Introduce a peer-to-peer digital recognition platform so employees can quickly appreciate a colleague for small wins. While the STAR and CEO Awards are valid, constant “micro-recognitions” boost morale and create positivity more frequently in day-to-day business operations.

- The goal is to go beyond sporadic efforts to include mental, physical, and financial well-being programs. Examples of holistic wellness programs range from health screenings each year to on-site fitness classes or subsidized gym memberships; 24/7 confidential counseling; financial literacy workshops; and flexible leave when caregiving.

- Rather than just having a generic skill-building program, you could create b-Academy courses that connect with the upcoming initiatives of the organization. If employees are going to launch a new product in the payment area, for instance, you can have training that will better position them to engage meaningfully and feel a part of the innovation cycle.

- Give consistent updates on the stories behind how bKash's efforts impact people's lives through internal newsletters, videos, and townhalls. Consistently showing employees the human outcomes to their efforts strengthens loyalty to and connection with the mission.

- bKash, already a well-known employer brand, should implement a tiered referral incentive program—with greater financial incentives for difficult-to-fill positions and public recognition when employees successfully refer applicants—to take advantage of employees to engage in employer-brand ambassadors for recruitment.

3.6 Conclusion

Employee retention remains an important strategy for the finance and fintech firms. Studies show keeping employees around not only keeps things running smoothly, but retaining them also helps keep the company knowledge as well as keeps the customer trusting the company, both critical for growth (Rahaman et al., 2023; Steil et al., 2022). Previous researches show that retention is based on things that are external such as pay and perks, but also internal things such as leadership, company culture and how fair employees feel that things are (Ali et al., 2023; Awolusi & Jayakody, 2020).

Take bKash: fair pay and good benefits are a starting point but what really keeps employees loyal are chances to grow, flexible work and when they feel appreciated (Bangsu et al., 2021; Nethravathi et al., 2021). Because jobs change quickly due to tech, HR will have to adapt in order to keep employees happy.

The study also agrees that leadership has an impact on retention. Leadership styles such as ethical, transformational, and participatory inculcate trust, engagement, and a voice of belongingness that cannot only exceed mere money (Ali et al., 2024; Park et al., 2021). Following fair and open procedures in making decisions also makes the employees more loyal.

For bKash and similar places, retention should not be a response to people quitting but rather a part of the company plan of action using data in order to make it better. To get ahead in fintech, it will rely on using data to predict what employees want, building solid relationships between employees and employers and lining up between retention and the company's overall goals.

This study supports the concept that a multitude of different things have an effect on employee retention. These things need to be handled in a way that covers financial needs but also make sure that employees are growing as professionals and feel good and included at work. Companies that do this are likely to keep their best people, encourage new ideas and do well in a changing and competitive world.

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3.8 Appendix

Interview transcriptions

Meheraf Shamim
Deputy general manager, organizational development,Human resource at bKash

1. **What combination of pay, bonuses, benefits, or perks do you think motivates people to stay here?**

The thing is the pay structure and other benefits of bKash is very market competitive if not more. Like subsidized lunch saves you a lot of hassle as an employee then again, the insurance package bkash offers even an employee's family which is only offered by few companies like Grameenphone. Since bKash is a growing company, bKash offers double digit pay structure whereas mature companies like Unilever, grameenphone cannot offer more than single digit pay structure. As single digit structure does not get you a growth in salary but with double digit employees feel motivated for the future as in, “I will get a push in my salary in a year”.Thats why bkash employees don't go around searching for better opportunities like sharks, so the switching tendencies are very low

2. **Given the fast pace and tight deadlines in finance, how do you think our policies and culture help people manage the pressure and succeed?**

   Like I said, bKash hasn't hit the mature tag yet which is a plus for us because startup organizations don't bother too much about compliance. It's not like we don't comply compliance, we make sure every norm is in place. We try to come up with new ideas or norms and try to fit them with the compliance that's why we experience a sense of freedom and accessibility at bkash. Thing experience specially motivates youngsters to work and build a career path here.

3. **What growth or learning opportunities here encourage people to feel it’s worthwhile to build their careers with us?**
   Since bkash welcomes a friendly environment so you have access to anyone, you can learn from any person. There are also training programs like b-academy which must be done by every employee. Employees here never felt that “I wanted to learn that skill,due to the expense bkash didn't encourage”, if the need is real,rational and effective to the company then bkash surely will arrange it for you. So I think that's what employees value for working in a company.

4. **How do you think our leaders’ style and approach influence how much people trust the company and want to stay?**
   Here at bkash the environment is very open and expressful, so the leadership approach is very amiable. See, leadership has some globally defined structure and factors. Among them which we found to be negative. So here leadership style even if it's not democratic, it encourages some sort of freedom.You have room to give your voice, you have room to express your idea.That atmosphere itself encourages employees to be leaders down their career path which motivates them to be part of bkash for a long time.

5. **Besides simply meeting targets, what types of recognition or appreciation truly keep people motivated and loyal?**

   There are two recognitions that work very well for bkash, one is star award which is a half yearly basis recognition.The context of STAR award is for every 200 employees there will be 1 STAR award. So, lets say for commercial division there are 600 employees, so every half year there are 3 STAR awards allocated for the performers and this given for recognizable efforts (like launching a product idea or overcoming an obstacle)given by a team.Then the pool of STAR award winners of two years are considered for CEO's award which is a yearly based award and given to one best STAR award winner. They get 50000 taka in cash along with a crest and there's an employees night program where the CEO's award is served. Another thing, there's another award named long service award which is given to employees divisionally who have been working more than 5 years in bKash.So specially these recognitions actually make employees feel valued and respected enough to stay loyal and work for more years than other companies

6. **Recently, have you noticed any new factors, like remote work, mental health support, or company values, that are affecting why people choose to stay?today?**

   Remote work concept is not very demanding or desired in Bangladesh in COVID all companies including bkash went for work from home polices, although it worked,it ensured our survival but on a daily basis that is not very benefited for employees or company in growth perspective.Although, recently ROBI launched a work from home day initiative, after that,bKash also faced some remote noises like why don't we do that?and we are looking at it.
   Mental health is a burning issue. Mental health is not something we recognize but we are planning to onboard some mental health specialists in bKash but the age group mix we have somewhat ensures a good balance if you are not too stressed out. And from a company value perspective, you can actually see on a daily basis how bkash is motivating you,helping you which you would not see in other companies where the employees see the connection directly. Even other organizations promote the use of bKash. So rarely, do we share our success stories because every person you see is being benefitted by bkash on a monthly basis if not daily basis. Here no one can point, what value as an employee do you elevate because there is no scope.

Md. Nowrose Farhan Chowdhury
Manager, Talent acquisition,Human resource at bkash

1. **What combination of pay, bonuses, benefits, or perks do you think motivates people to stay here?**

   If you come to the compensation & benefits there comes a competitive salary,festival bonus,workers profit share,provident fund. For the motivational part, there are enough learning opportunities like training sessions and career path related activities & learnings and a healthy culture/proper worklife balance of workplace motivates people to stay here.

2. **Given the fast pace and tight deadlines in finance, how do you think our policies and culture help people manage the pressure and succeed?**

   Definitely bKash does not fall under the banking industry fully, since there were no sectors that bKash could be relevant to therefore bKash falls under banking industry. It's not true that we don't have tight deadlines, we do have and you can see bKash is recognized as an agile company because we grew larger in just 12 years. This growth is managed by time efficiency, agility, tight deadlines, and innovation. This is where the culture developed through us. Whereas, you can see in banks that tight deadlines give the stress factors to the employees, here stress is first managed and then we talk about work. This culture motivates employees to work for more hours.

3. **What growth or learning opportunities here encourage people to feel it's worthwhile to build their careers with us?**

   You can see our retention rate is very high, so you can say employees here are somehow already motivated. That's because our organizational development department is very active and thus you can see bacademy training program, bGen and bNext programs where you are already working with big and real time projections which are already showing employees the temptation of working in bkash

4. **How do you think our leaders' style and approach influence how much people trust the company and want to stay?**

You can see the leaders from bkash are very experienced. They dealt with the exact stress factors and problems that they guide their subordinates towards. So they have already passed through these difficult paths and know when to motivate,when to yell or when to put pressure on employees so that their priorities don't get hampered and they get the learning curves right. So this amiable and flexible way of guiding and mentoring approaches motivate employees to be future ready to be leaders which give them career guidance.

5. **Besides simply meeting targets, what types of recognition or appreciation truly keep people motivated and loyal?**

   Hitting the target is obvious, our company is KPI based. But if KPI is at 100, you are obviously good but if you are reaching 120 you are overqualified and the HRM management sees if the employee is a good fit for a promotion. So you can say target itself is a motivation and thus for those who fill up the target, going overboard with it their recognition and appreciation styles are different which gives the employees from other pools to be motivated toward those recognition then again, who is doing 80-90, their requirements, their lacks are not neglected,rather training sessions,workshops,guidance,mentoring approaches are designed to make him/her the performer.

6. **Recently, have you noticed any new factors, like remote work, mental health support, or company values, that are affecting why people choose to stay?today?**

   Here,the salary structure is very competitive, then the insurance package covering the family welfare is very rare in other companies.Then again, company stock benefits also motivating bKash employees to be loyal and invaluable

Rezaur Rahman Nafiz
Head of organization development & Employer branding,Human resource at bKash

1. **What combination of pay, bonuses, benefits, or perks do you think motivates people to stay here?**

bKash’s benefits and compensations are highly competitive, meaning the salary or benefits i am offering to employees, to what extent I am offering is determined by a survey.This survey is done by a company named Marcer. Most renowned companies participate in this survey so that the salary structure gets a benchmark and a median. Once the surveys are done, based on requirement, Marcer provides the mean or average of salary for a particular division, so its my call as bKash whether I want to give more salary than market average or as to par. After salaries, the other benefits are also selected as per those survey medians. Then again, increments and performance bonuses are set through market analysis. All these pay and bonus benefits are set by market research just to stay market competitive, so this competitive pay,bonus and benefits attract employees and retain them for long. Then again, against the performance the benefits and increments are very attractive in bKash to motivate employees to go extra miles.If you are not performing well, here also HRM contributes to intervene and see whether there are performance lacks or cultural complexities or leadership issues. So retention, attraction, everything happens by being competitive as a company.

2. **Given the fast pace and tight deadlines in finance, how do you think our policies and culture help people manage the pressure and succeed?**

As an Head of Organizational development, I work to elevate positive culture. Our team has a manager who ensures driving the right culture, shaping a positive environment,and driving employee engagement. We try to drive work culture through two perspectives-value driven and purpose driven. Say, if a company is purpose driven like bKash has a purpose: Financial inclusion for all and our 1500 employees work toward that purpose then bKash will thrive.Then again, if bKash is value driven and employees hold these values then bKash will also thrive. But if our company is purpose driven, then the HR team will work in one way but the marketing team will go another way, the opinions and views will not align, thus the company will suffer. So, a good mix of purpose and value driven perspective gives bKash a good hand in employee retention and engagement as there are no disputes or disagreement between opinions among employees. In the same way, we try to boost the engagement through various events so that the morals and motivations are in sync. For example, bKash has an employee night where 1500 employees come and spend the whole day with each other in fun and memorable events.then for february there’s pohela falgun program, in march there’s international woman program, then in april there i pohela boishak, so round the months there are programs and events happening to elevate wellbeing and boost the engagement with morale. Our team also enhances the employee experience through exemplify projects, here ex of exemplify signifies as employee experience. So there are many events in exemplify projects such as in the investment fair that happened in bKash to make employees aware of how to rebate tax, then again we deployed a chatbot to enhance employee experience by chatting and checking employee feedback and their heart rates. So all these efforts of our team results in employee satisfaction and retention which make them go the extra mile for the company.

3. **What growth or learning opportunities here encourage people to feel it's worthwhile to build their careers with us?**
   Bkash is a growth oriented organization, which secured 8 crore customers, 8 lac plus merchants, 3.5 lac agents. bKash has been the best brand across all industries for six consecutive years, bKash has been the best brand for employees for 3 consecutive years. So all these achievements of the cash growth journey ensures the growth of employees. There are so many growth factors for employees, but if you want to see growth factors as in promotion, then year by year promotion numbers are increasing, simply because our employees are performing and their job responsibilities are also increasing. So, to support these growth of employees, we offer learning opportunities. There is a program called academy which is a complete 360 degree employee development program for all employees, under this academy there are also leadership program for employees in general manager, deputy general manager, assistant manager positions,there is a also another leadership program which is designed for vice president, senior vice president and executive vice president positions. So these learning development programs ensure our employees capability and growth which is a major reason for employee retention.

4. **How do you think our leaders' style and approach influence how much people trust the company and want to stay?**
   In an organization, whether an employee will stay or not does not matter very much in culture rather on a leader he/she is facing. So that's why you might hear, people don't leave their job, they leave their bosses because if my experience with my boss is sour, someone that I am working with regularly, someone that I report daily who is constantly giving me harsh realities then I am bound to look for a switch. In bKash lots leaders coming from diverse backgrounds might have different code of leadership of their own, that's why bKash proactively defined bKash leadership code which is named S.T.E.E.R which stands as follows-S for strategist,T for talent developer,E for enabler, E for executor and R for resilient. So bKash\s all employees must be steered to the right way to fulfill organizational purpose. These leadership codes are taught and nurtured in leadership programs of bKash. So if you are promoted to be a leader then you don't know about leadership codes, it's our team's responsibility to teach you about those codes. Also among divisions there are employee feedback and evaluation of supervisors which are collected by HR business partners, we collect analyze the needs of training programs for individual employees and

deploy them accordingly.These positive perspectives of leadership programs attract employees to retain and engage.

5. **Besides simply meeting targets, what types of recognition or appreciation truly keep people motivated and loyal?**
   Only meeting targets does not amount to anything in bKash, we see what and how? What is met and how it is met, for which question we have values to evaluate the inputs.If value oriented achievement is ensured, then there are bonuses and benefits. Also, besides that there is the STAR program which happens half yearly. From every division, STAR nominations come then we scrutinize and select STAR performers, those STAR performers get crests, certificates, social recognitions, and celebrations. On year end there is a program called employee night, where we arrange CEO's award which is given to the best STAR winner whose initiative impacted the organization positively. CEO's award winners get 50000 tk, there is also a long service award which is given to employees working for more than 10 years in a row. That award is given with proper recognition and publicity on employee night. There are also divisional recognition awards which is solely a divisional thing.

6. **Recently, have you noticed any new factors, like remote work, mental health support, or company values, that are affecting why people choose to stay?today?**
   In an organization whether you stay or not, that depends on a dimension of possibilities, like say brand reputation, will you work here if bkash does not have brand reputation? Then again, there is brand reputation but the company is known for manipulating and corruption, then the employees will not stay, then non-compliant companies cannot retain employees for a longer period of time. Then comes the social reputation you get working in bKash is also good. Mental health wellbeing and work life integration is not something to talk about in other forms, they fall under our exemplify programs also.