



Service Quality
of
Prime Bank Limited

Internship Report
On
Service Quality of Prime Bank Limited



Submitted To:
Zaheed Husein Mohammad Al-Din
Lecturer

BRAC Business School

BRAC University

Submitted By:
Muhammad Hasib Hasan
BRAC Business School

ID: 13304148

1.2 Letter of Testimonial

6th September, 2016

Zaheed Husein Mohammad Al-Din

Lecturer

BRAC Business School

BRAC University

66 Mohakhali, Dhaka-1212

Subject: Submission of Internship Report.

Dear Sir

With due respect, I would like to inform you that, I am a student of BRAC Business School, BRAC University. It is an absolute pleasure for me to submit the internship report titled **‘Service Quality Of Prime Bank Limited’** which has done as a part of the requirement of the course BUS-400. Your guideline has been followed in every aspect of preparing this report. I have really enjoyed working on this report and I have tried my level best to make an effective report. This report is focuses on both theoretical and practical knowledge.

Within the title limit I have made this report as comprehensive as possible. But there may be some mistakes due to various limitations. So I beg your kind consideration in this regard. I hope that my work would meet the level of your expectation. Any query on this report is appreciated.

Sincerely yours,



Muhammad Hasib Hasan

ID-13304148

BRAC Business School

1.3 Acknowledgement

First of all I would like to express my gratitude to omnipotent and almighty Allah, whose invisible guidance helped me to complete this report. Although, time was very limited for getting the sufficient knowledge about all of banking service, but the short experience that I gathered as an internee, in Prime Bank Limited on Service Quality Department an asset for all the time to come in my life.

I take the opportunity to express my deep sense of gratitude of my reverend supervisor, **Zaheed Husein Mohammad Al-Din** (Lecturer, BRAC Business School, BRAC University) for his invaluable suggestions and guidance during the study period that has greatly inspired me in preparing this report successfully.

I would like to thank Sharmin Ahmed, Head of Service Quality and Premium Banking for giving me the permission to do the internship at Service Quality Department of Prime Bank Limited. I also like to thank to my second boss Md. Mahmud H Bhuiyan, Manager of Service Quality Department for giving me the guidance throughout the internship period and giving me the knowledge about his department as much as possible.

This Internship Report has been prepared as the part of BBA program under BRAC Business School Department of BRAC University. I would also like to thank Asif Ahmed Khan and Syed Muztaba for giving me their precious time and sincere guidance throughout the internship period by providing me the practical knowledge and right direction. Last but not the least thanks goes to my parents for bearing the tension, frustration and all the hard work along with me through the entire BBA program.

1.4 Executive Summary

This report based on the internship program, partial requirement for the Bachelor of Business Administration in BRAC University Bangladesh and aims toward providing an overview on Service Quality Department of Prime Bank Ltd. The core objective is giving a clear picture of Service Quality Department. While preparing this report it has been tried to reveal the insights of the Service Quality Department of the bank a few recommendations and suggestions were also prescribed based on the observation and findings.

This report is based on practical working experience at The Prime Bank Limited as a part of internship program. The Prime Bank Limited, the first generation bank in Bangladesh came into being in 1995 .Established with the objective of bringing about a qualitative change in sphere of banking and financial management, the bank today serves its customers usefully and collecting funds from the surplus units of the economy in the form of deposit and mobilize deposit to the deficit units of the economy in the form of credit. The second part is decorated with the overview of Prime Bank and their products and services.

The aim of this paper (Part-3) is to analyze the Service Quality Department of Prime Bank Ltd to make it more competitive in the banking industry with a view to how to counter the ensuing challenges in the industry as a consequence of changing global business nature and technological development. For this purpose, business philosophy, mission, objectives, activities and current strategies of Service Quality Department of Prime Bank Limited are analyzed at this stage. It also includes the Service Quality Standards, code of conduct and way of work.

Finally, identifying the shortcomings of strategies Prime Bank is currently applying an attempt has been made to recommend the strategic options for Prime Bank to become more competitive in the banking industry.

1.5 Table of Contents

Part	Title	Page No.
Organizational Profile	2.1 Introduction	2
	About Prime Bank	4
	Organizational Hierarchy of Prime Bank Ltd	6
	Vision	7
	Mission	7
	Corporate Philosophy	7
	Performance of Prime Bank Limited	9
	SWOT Analysis	11
	Products & Services	12
	Awards and achievements	23
Project Part	3.1 Introduction	25
	3.2 Findings	27
	3.3 Problem Statement	28
	3.4 Objective of the Report	28
	3.5 Limitations	29
	3.6 Literature Review	30
	3.7 Methodology	32
	3.8 Recommendation	33
Conclusion Part	Conclusion	35
	4.1 Appendix	37
	4.2 Bibliography	40

Part 2

Organization Profile

Introduction:

The role of banks in economic development is to remove the deficiency of capital by stimulating savings and investment.

A sound banking system mobilizes the small and scattered savings of the community, and makes them available for investment in productive enterprises. In any plan of economic development, capital occupies a position of strategic importance.

Bank accepts deposits and make loan and derive a profit from the difference in the interest rate paid and charge to borrower and depositor respectively. The process performed by banks of taking in fund from a depositor and then lending them out to a borrower is known as financial intimidations.

The modern central bank is an institution responsible not only for the maintenance of economic stability; it also performs a variety of developmental and promotional functions of a countries economy. Bangladesh pursues a liberal market economy. Bangladesh Bank is the Central Bank of Bangladesh and the chief regulatory authority in the sector, which is responsible for promoting healthy growth and development of the banking system. So, without any doubt we can say that from very first emergence and inception of modern civilization, bank plays a pivotal role in case of overall financial and socioeconomic development of any modern country.

Commercial banks in Bangladesh economy are to face an increasing competition for their business in coming days, like any other emerging market economies. Their business is no longer remaining easy as they earlier. The real change in the banking business has started to come with the government's decision to allow the business in the private sector in the middle of the Eighty's. This report is an effort to reflect a clear idea about the strategies, activities, and performance of Prime Bank Ltd. regarding general banking activities. The General Banking department is the vital part for financial institution. It is linked with all other department. So it is very important to have an effective and sound management System in banking business. Bank is an important and the most appropriate institution for the necessity of the use of money and the protection of the money. As a student of BRAC Business School having major in Accounting, Financial institutions are the

most appropriate field to gather the experience and among the financial institutions, Bank is the most prominent place.

About Prime Bank

In the backdrop of economic liberalization and financial sector reforms, a group of highly successful local entrepreneurs conceived an idea of floating a commercial bank with different outlook. For them, it was competence, excellence and consistent delivery of reliable service with superior value products. Accordingly, Prime Bank was created and commencement of business started on 17th April 1995. The sponsors are reputed personalities in the field of trade and commerce and their stake ranges from shipping to textile and finance to energy etc. (primebank,2016)

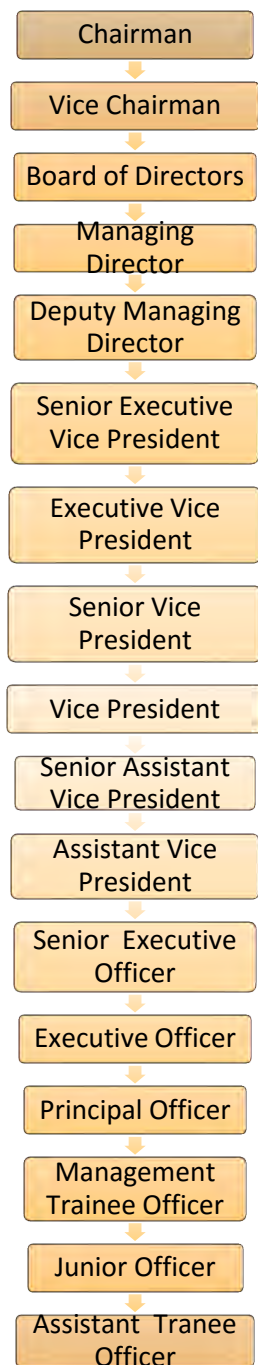
As a fully licensed commercial bank, Prime Bank is being managed by a highly professional and dedicated team with long experience in banking. They constantly focus on understanding and anticipating customer needs. As the banking scenario undergoes changes so is the bank and it repositions itself in the changed market condition. (primebank,2016)

Prime Bank has already made significant progress within a very short period of its existence. The bank has been graded as a top class bank in the country through internationally accepted CAMELS rating. The bank has already occupied an enviable position among its competitors after achieving success in all areas of business operation. (primebank,2016)

Prime Bank offers all kinds of Commercial Corporate and Personal Banking services covering all segments of society within the framework of Banking Company Act and rules and regulations laid down by our central bank. Diversification of products and services include Corporate Banking, Retail Banking and Consumer Banking right from industry to agriculture, and real state to software. (primebank,2016)

Prime Bank, since its beginning has attached more importance in technology integration. In order to retain competitive edge, investment in technology is always a top agenda and under constant focus. Keeping the network within a reasonable limit, our strategy is to serve the customers through capacity building across multi-delivery channels. Our past performance gives an indication of our strength. We are better placed and poised to take our customers through fast changing times and enable them compete more effectively in the market they operate. (primebank,2016)

Organizational Hierarchy of Prime Bank Ltd



Our Vision

To be the best Private Commercial Bank in Bangladesh in terms of efficiency, capital adequacy, asset quality, sound management and profitability having strong liquidity.(prime bank,2016)



Our Mission

To build Prime Bank Limited into an efficient, market-driven, customer focused institution with good corporate governance structure.



Continuous improvement of our business policies, procedure and efficiency through integration of technology at all levels. (prime bank,2016)

Corporate Philosophy

❖ For our Customers

- ❑ To provide the most courteous and efficient service in every aspect of its business. To be innovative in the development of new banking products and services.

❖ For our Employees

- ❑ By promoting their well-being through attractive remuneration and fringe benefits.
- ❑ By promoting good staff morale through proper staff training and development, and provision of opportunities for career development.

❖ For our Shareholders

- By forging ahead and consolidating its position as a stable and progressive financial institution.
- By generating profits and fair return on their investment.

❖ **For our Community**

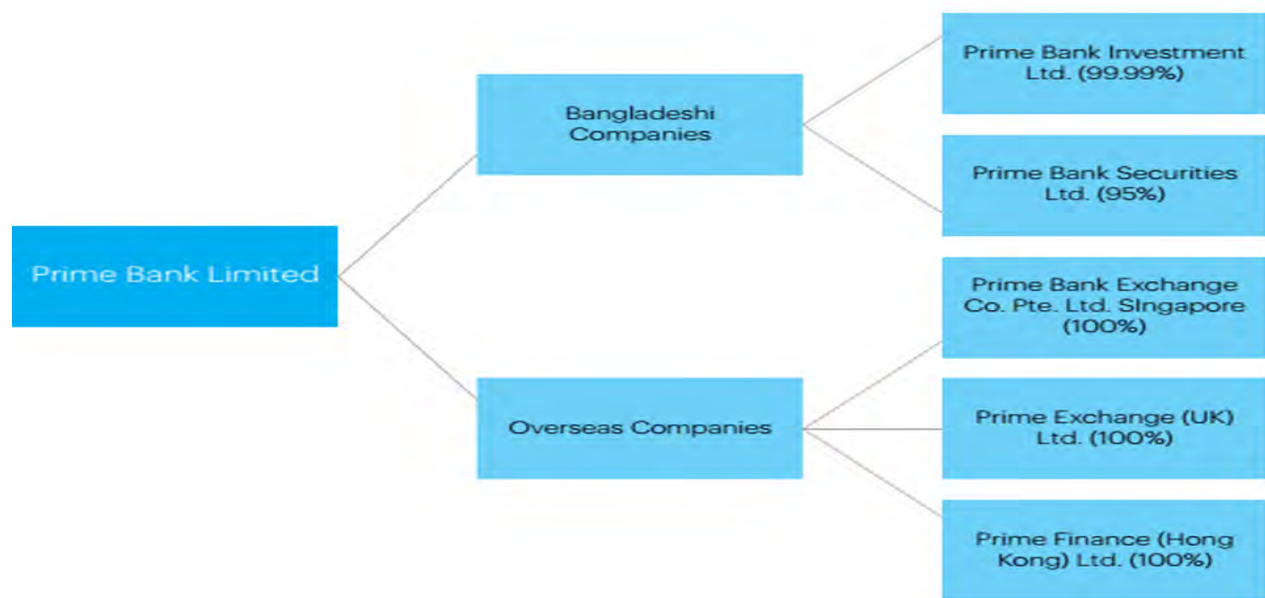
- By assuming our role as a socially responsible corporate citizen in a tangible manner By adhering closely to national policies and objectives thereby contributing towards the progress of the nation.
 - By upholding ethical values and best practices.
- 2.5 ■ Constantly seeking to improve performance by aligning our goals with stakeholders' expectations because we value them.



Performance of Prime Bank Limited:

Key Financial Data & Key Ratios - PBL					
Particulars	2010	2011	2012	2013	2014
Operating Performance (Income Statement)					
Interest income	12,147	16,709	22,822	22,011	18,446
Interest expenses	7,824	12,648	17,410	17,678	15,574
Net interest income	4,323	4,061	5,411	4,332	2,872
Investment income	2,632	4,157	4,633	5,583	6,194
Commission, exchange and brokerage	2,262	2,689	2,429	2,155	2,033
Other Operating Income	579	652	1,018	813	806
Operating Income	9,795	11,559	13,492	12,883	11,906
Operating expenses	3,618	4,132	4,941	5,409	5,750
Earning before interest, depreciation and tax	13,643	19,666	23,024	21,422	19,187
Profit before provision and tax	6,177	7,427	8,551	7,474	6,157
Provision for loans and assets	540	661	3,216	4,029	2,877
Profit after provision before tax	5,637	6,766	5,335	3,445	3,280
Tax including deferred tax	2,535	3,132	2,636	1,616	887
Profit after tax	3,102	3,634	2,699	1,829	2,393
Balance Sheet (Financial Position)					
Authorized capital	10,000	10,000	25,000	25,000	25,000
Paid-up capital	5,776	7,798	9,358	10,293	10,293
Total shareholders' equity	16,908	19,095	20,787	23,030	24,461
Deposits	124,574	159,816	182,053	201,907	204,838
Long-term liabilities	47,918	63,379	84,827	91,424	104,040
Loans and advances	116,057	138,848	160,890	153,589	147,367
Investments	20,484	39,172	49,670	56,940	72,642
Property, Plant and Equipment	1,695	3,975	4,363	6,407	6,613
Earning assets	137,577	179,537	212,204	211,399	221,521
Net current assets	7,349	2,262	2,735	15,023	21,064
Total assets	154,342	199,950	236,833	243,869	254,912
Total liabilities	137,434	180,856	216,046	220,839	230,451
Current ratio	1.09	1.02	1.02	1.12	1.17
Gearing ratio	76.98	77.88	80.97	80.67	81.42
Quick ratio	1.09	1.01	1.01	1.12	1.17
Cash Reserve Ratio	6.70	6.22	6.06	6.97	6.71
Statutory liquidity Ratio	26.00	32.96	34.02	38.39	29.83
Equity debt ratio (%)	12.30	10.56	9.62	10.43	10.61

Increasing Performance from the year 2010-2014



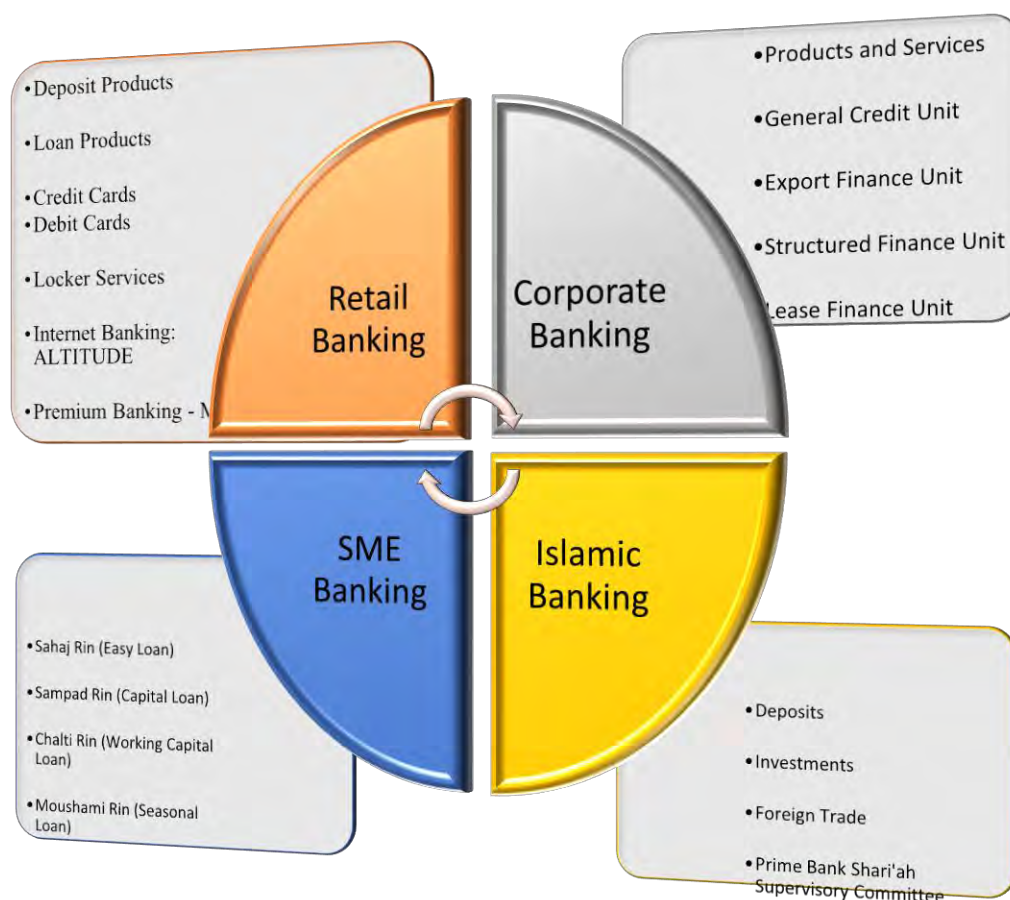
SWOT Analysis of Prime Bank

Every organization is composed of some internal strengths and weaknesses and also has some external opportunities and threats in its whole life cycle. This following will briefly introduce the customer to Prime Bank Limited's internal strengths and weaknesses, and external opportunities and threats.



Products & Services of Prime Bank Limited:

The Prime Bank Limited launched several financial products and services since its inception. Prime Bank Limited offers various kinds of deposit products and loan schemes. The bank also has highly qualified professional staff members who have the capability to manage and meet all the requirements of the bank. Every account is assigned to an account manager who personally takes care of it and is available for discussion and inquiries, whether one writes, telephones or calls.



Retail Banking

As a part of risk diversification strategy PBL expended the lending activities in this sector during 2006. The growth rate of PBL's consumer financing was 38% 2013. The loan schemes offered by the bank include Home Loan, Loan against Salary, Marriage Loan, Car Loan, Hospitalization Loan, Education Loan, Doctors Loan, Travel Loan etc. (primebank,2016)

- Deposit products
- Loans
- Debit cards
- Credit Cards
- Locker Service
- Internet banking
- Cash back service
- Phone Banking
- SMS banking

Loan Products

Customer segment:

- Employees of multinational companies and local corporate firms, foreign NGO's, aid agencies and UN bodies.
 - Landlord/Landlady
 - Businessman
 - Contractual employees working as consultant or adviser or researcher of UN organization or ADB or World bank or NGO's or other international organizations.
 - Professionals, employees of Government or semi government or autonomous bodies and employees of Banks or financial institutions and medium or small enterprise.
1. Shapnarin home loan
 2. Shapnashaj home loan
 3. Car loan

4. CNG conversion loan
5. Marriage loan
6. Household durable loan
7. Education loan
8. Retail SOD (FO)
9. Abash home
10. Doctor's loan
11. Personal loan
12. Travel loan
13. Hospitalization loan
14. Loan against salary
15. Carnival loan

Loan Schemes

- General Loan Scheme
- Consumer Credit Scheme
- Lease Finance
- House Building Loan & Apartment Loan Scheme
- Advance against Shares
- Custodial Services for investors (both individual & institutional) investing in through Stock exchange
- One stop services for payment of utility bills.
- Credit card

Credit Card

In the year of 2005, Prime Bank Ltd has launched VISA. Before that PBL started its credit card operation in 1999 by introducing Master Card. Now PBL has become the first local Bank of the country to achieve principal membership of both the worldwide-accepted plastic

money network i.e. Master Card and VISA. PBL has redesigned the credit card facility by providing the incentive of “Free Life Insurance Coverage” for their valued cardholders to mitigate the financial risk. (primebank,2016)

On-line Banking

The bank has set up a Wide Area Network (WAN) across the country to provide online branch banking facility to its valued clients. Under this scheme, clients of any branch shall be able to do banking transaction at other branches of the bank. (primebank,2016)

Under this system a client will be able to do following type of transactions:

- Cash withdrawal from his/her account at any branch of the bank.
- Cash deposit in his/her account at any branch of the bank irrespective of the location.
- Cash deposit in other's account at any branch of the bank irrespective of the location.

Transfer of money from his/her account with any branch of the bank

SWIFT Service

The Prime Bank Limited is one of the first few Bangladesh Banks to obtain membership of SWIFT (Society for Worldwide Inter-bank Telecommunication). SWIFT is a members' owned cooperative which provide a first and accurate communication network for financial transaction such as Letter of Credit, Fund Transfer etc.

SMS Banking

Prime SMS gives you 24-hour access to the key financial information of your Prime Bank Account. It is the simplest way of finding out your account's daily/month-end balance. With Prime SMS you neither have to wait for your statement to arrive through mail nor have to call up branches to inquire about your balance and last few transactions. Once you become a member of SMS Banking you will have 24-hour access to the key financial information. Prime bank brings sms banking services to ensure instant access to account information at any time. Any mobile phone user having any account of Prime bank can get the service through the mobile phone upon registration. (primebank,2016)

Offers of SMS banking:

- ❖ Mini statement
- ❖ PIN change
- ❖ Exchange rate
- ❖ Requesting help

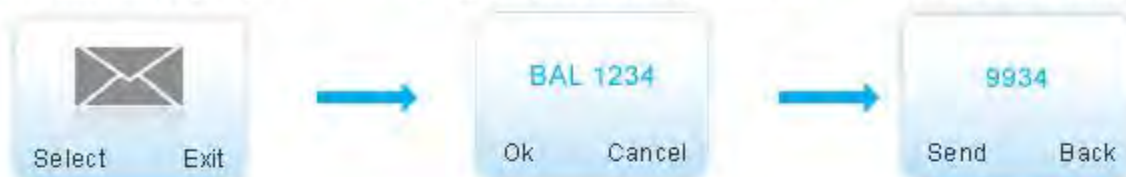
For example: Suppose the PIN is 1234, then for:

Balance Enquiry:

Go to Handset Message Option

Type **BAL**<Space> and Type your PIN

Send to **9934** Number

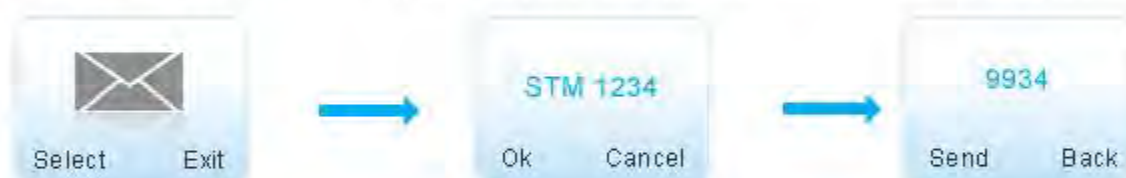


Mini statement:

Go to Handset Message Option

Type **STM**<Space> and Type your PIN

Send to **9934** Number



Exchange Rate:

Go to Handset Message Option

Type **EXC**<Space> and Type your PIN

Send to **9934** Number



Corporate Banking:

City Bank is a major player in Bangladesh wholesale banking industry to offer the full scope of innovative, customized solutions and services. Their focus is not on short-term profit, but on building long-term relationships and standing by their clients. A unique business focus on enabling project financing, trade, investment and supply chain financing for clients is maintained. Aim is to be a one-stop gateway for corporate and financial institutions looking to extend their business. They focus exclusively on corporate and institutional clients, offering clients access to extensive branch network and award-winning suite of state of the art services. (primebank,2016)

- Products and Services

- General credit unit
- Export finance unit
- Structured finance unit
- Lease finance unit

SME Banking

Job creation is essential and it must come from Small and Medium Enterprise that will ultimately dominate the private sector. During 2013 bank's Strategy was focused on customer convenience. The Bank provided working capital loans to suppliers or dealers of large corporations or clusters of small exporters of non-traditional items. Outstanding loan of SME is Tk.437 million. The growth rate of PBL's SME Lending was 41% during this year. (primebank,2016)

- Shohojrin
- Shampadrin
- Moushumirin
- Chaltirin
- Digunrin
- Prime subidharin
- Prodiprin

Corporate Credit

PBL's strategy is to provide comprehensive service to the clients of this segment who are large and medium size corporate customers with expertise in trade finance and related services. Besides trade finance bank are providing working capital finance, project finance and arranging syndication for our corporate clients. Syndication and structured Finance Unit of the Bank strengthened its footstep in the consortium financial market and arranged a number of syndication deals for its corporate clients

Islamic Banking

Prime Bank started its operations in the year 1995 as 'A bank with a difference', blending its conventional banking system with that of Islamic Banking operations based on Shari'ah principles. Five of the branches of the bank provide Islamic Banking operations to serve the increasing demand of customers for Islamic products and services. Prime Bank is the pioneer in such a kind of blending (of conventional and Islamic banking) in the country which is followed by many other banks.

In the year 2008, the bank has taken initiative to identify all of its Islamic banking activities by adopting a generic name of 'Hasanah' - the brand name for Islamic products and services of the bank, which has been used in the Qur'an and the Hadith several times to denote good deed, welfare, virtue, beauty spot etcetera, that expresses Prime Bank's willingness for working towards well-being of humanity through Islamic banking activities. (primebank,2016)

Hasanah Deposit Products:

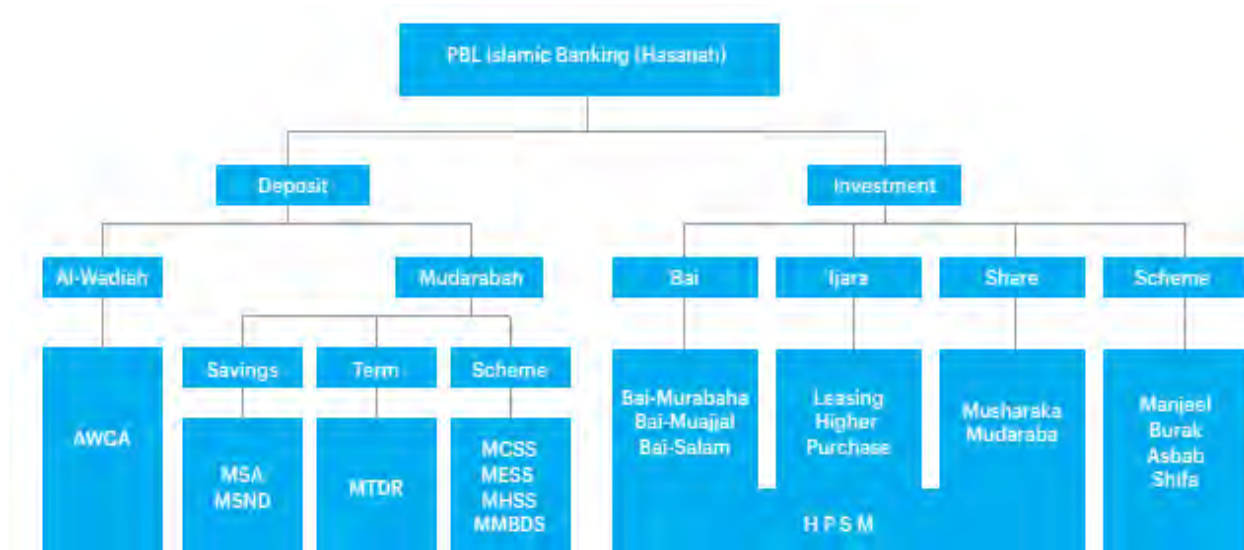
♣ Al-Waeeah

- Al-Wadeeah current account
- Al-Wadeeah concept

♣ Mudaraba

- Savings account
- Short notice deposit
- Term deposit
- Mudaraba double benefit deposit schemes
- Contributory schemes
- Education savings
- Hajj savings
- Monthly benefit
- Lakhpoti deposit

- Millionaire scheme
- House building deposit
- Laksapuron deposit



International Trade Management

This division is operational throughout the group and PBL's core strength is trade finance and services. With an experience, Prime Bank has developed knowledge of trade finance, which is world class. Principle services to importers include imports letter of credit, import bills for collection and back-to-back letters of credit facilities. Services provide to exporters include export letters of credit, direct export bills, bonds, and guarantees.

OTHER SERVICES

Consistent with the modern edge and competing in the competitive market, The Prime Bank Limited has introduced some innovative banking services that are remarkable in a country like Bangladesh. The services offered by the bank are as follows:

Institutional Banking

Prime Bank Limited provides a wide range of services to institutional clients, commercial, merchant and central banks; brokers and dealers; insurance companies; funds and managers, and others. It provides relationship managers who are close to their customers and speak local language. This wide network of institutional banking facilities includes transaction, introduction, problem solving and renders advice and guidelines on local trading condition. (primebank,2016)

Treasury

Treasury operations had been consideration as an important avenue for income generation purpose within Head Office. In fact, in the past, income from treasury operation was quite sizable and significant to the total income generated by the bank. The treasury division publishes daily and weekly currency newsletters, which provide analyses of currency trends and related issues. Seminars and workshops are conducted for customers from time to time on foreign exchange related topics. Prime Bank is one of the first local banks in Bangladesh to integrate treasury dealings of local money market and foreign currency under one Treasury umbrella. The bank has handled significant volumes of treasury over the last several years.

Prime Bank's Dealing Room is connected with automated Reuters Terminal facility thus enabling the bank to provide forward/future facilities to its corporate clients at a very competitive rate.

Foreign Exchange Business

Over the years, foreign trade operations of the bank played a pivotal role in the overall business development of the bank. The bank has established relationship with as many as 110 new foreign correspondents abroad thereby raising the total number of correspondents to 350. The total import & export business handled by the bank during the year 2013 was TK 52,639 million and Tk 41,801 million. The growth rate was 46%. The bank has also entered into remittance arrangements with several banks and exchange houses and expects to handle increased volume of remittance business over the near future. (primebank,2016)

Green Banking



The environmental degradation needs to be tackled in a concerted manner by all. Society demands that business also take responsibility in safeguarding the planet. As a responsible Corporate Citizen, Prime Bank reinforced its Green Banking initiatives. In light with Banking Regulations & Policy Department, Bangladesh Bank vide their Circular No.02 dated February 27, 2011; Prime Bank Limited has outlined a comprehensive Green Banking Policy for implementing Green Banking activities. During the year 2014, a revised Green Banking Policy was approved by the RMC of the Board. (Primebank, 2016)

Awards and achievements:

- 12th Bangladesh Awards DHL- The Daily star
- The BIZZ 2012 Inspirational company award
- ICAB National Award 2010 Best Published Accounts & Reports.
- SAFA Award 2010 Best published Accounts & corporate disclosures in banking sector
- ICMAB Best corporate Award 2010
- International Star for leadership in quality (ISLQ)
- Prime bank wins 1st prize in 11th ICAB National Awards
- SAFA best presented Accounts Awards 2009 overall winner
- SAFA Best Presented Accounts and corporate Governance Disclosures Awards 2009
- ICAB National Award 2004
- ICAB National Award 2003
- ICAB National Award 2008
- ICMAB Best Corporate Performance Award 2008 first position (jointly)

Chapter 3

Project Part

3.1 Introduction

I have used the SERVQUAL service quality model was developed by a group of American Authors, 'Parsu' Parasuraman, Valarie Zeithaml and Len Berry, in 1985, which consists of five Key service quality dimensions like reliability, responsiveness, assurance, empathy, and tangibles to find out the customer satisfaction on service quality of Prime Bank Limited.

Service Quality Dimensions:

Service quality is an achievement in customer service. The SERVQUAL Model is an empiric model by Zeithaml, Parasuraman and Berry to compare service quality performance with customer service quality needs. One of the important issues related to service quality is the dimensions of service quality and the measurement tool, SERVQUAL developed by Parasuraman et al. (1988) has been the starting point of the controversy in this area. Parasuraman et al. identify five quality dimensions which link specific service characteristics to consumer expectations of quality. These five basic dimensions are Tangible, Reliability, Responsiveness, Assurance and Empathy.

Customer's satisfaction basically depends on various factors. Customers will be satisfied with the bank when they will get excellent and quality services from employees of bank on a continuous basis. There are different factors that influence customer's satisfaction level. In this research, I have tried to find out customer's satisfaction on five important dimensions of SERVQUAL model.

1. Tangibles:

Tangibles are the appearance or visibility. Tangibles are the physical facilities, equipment, and appearance of personnel in services. It includes all the physical evidence of the service like the facilities, appearance of personnel, tools or equipment used to provide the service, physical representations of the services and even other customers. Zeithaml et al. stated that tangibles are the appearance of physical facilities, equipment, personnel, and communication materials. Tangibles of service are the tangible facets of the service facility. So, the hypothesis is higher the tangibles higher the customer satisfaction.

2. Reliability:

This means ability to perform the promised service dependably and accurately. Reliability involves consistency of performance and dependability. It means that the firm performs the service right first time. It also means that the firm honors its promises. Specifically it involves accuracy in billing, keeping records correctly, and performing the service at the designated time.

Reliability refers to the extent to which the retail service provides what was promised when it was promised. Zeithaml et al. (1990) defined reliability as the ability to perform the promised service dependably and accurately. Reliability is the ability to perform the promised service consistently, dependably, and accurately. In an organization, employees should always try to serve customer first and at the right time, so that customers can rely on that bank. This follows that, if reliability is greater, customers are more satisfied.

3. Responsiveness:

Responsiveness is defined as the willingness to help customers and provide prompt Service. It concerns the willingness or readiness of employees to provide services. Responsiveness involves timeliness of service like posting a transaction slip immediately, returning a phone call quickly, giving prompt service and setting up appointments quickly. According to Zeithaml et al. responsiveness refers to the motivation to help customers and provide prompt service to them. If an organization is better in responsiveness dimension then the customer satisfaction level will be high.

4. Assurance:

Assurance can be defined as the knowledge and courtesy of employees and their ability to convey trust and confidence among customers. Assurance involves trustworthiness, believability, and honesty. It involves having the customer's best interests at heart. Contributing to credibility includes company name; company reputation; personal characteristics of the contact personnel; how much a hard sell is employed in interactions with the customer. Zeithaml et al. defined assurance as the awareness and good manners of the employees and their ability to convey trust and confidence to the customers.

5. Empathy:

Empathy is the caring, individual attention that a firm provides to its customers. Empathy refers to graciousness, respect, consideration and friendliness of contact personnel including receptionists, telephone operators, etc. It needs consideration for the consumers' property, clean and neat appearance of the contact workers. Hypothesis is when empathy is greater, customers are satisfied.

3.2 Findings

- The Service Quality Department has been established for ensuring the quality of service of Prime Bank.
- The core objective is to evaluate the performance of the employees
- The team consists with 6 members
- They usually do mystery shopping in random day and random branch
- They generally do training first. After a couple of days they inspect the branch
- They prepare a comprehensive report based on the branch inspection
- They compare the report with the previous year
- In that comparison report they mention the improvement, no improvement, digression.
- They recommend whether any further training is needed or not.
- After that they do the individual assessment of each employee
- Based on that reward or penalize the employees

3.3 Problem Statement

During the Internship period I have faced some problem as well due to security and the limitation of access. As we know bank is highly secured place so there are restrictions in everywhere. In that case, I faced some difficulties. The main problem statements are

- To know the employee's previous record, I had to do access in the HR connect. But sometimes due to restriction I could not enter there.
- I had to use hidden camera to capture the real condition of the premises. As result sometimes I faced difficulties to take picture.
- In comparison of previous year with current year sometimes it was difficult to find out the minor differences.
- There was a huge possibility to mixed up with the same name of different employees

3.4 Objective of the Report

The general objective of this report is to find out the customer satisfaction on service quality of Prime Bank Limited. By this the core objective is retaining the customer satisfaction by maintain the quality of service and retain the brand value.

Specific Objective:

The specific objectives of this report are as follows:

- Inspecting that employees are maintaining the service standard
- Inspecting the premises and it's maintenance
- Organizing and analyzing the specific and general factors of customer satisfaction.
- Knowing the level of customer's dissatisfaction.
- Producing different alternatives and bring brainstorming recommendation for customer's dissatisfaction
- Awarding and penalizing according to their performance
- Identifying whether the further training is needed or not
- Knowing about operational activities of Prime Bank Limited and to understand the existing circumstance of the bank.

3.5 Limitations

During the internship period I have faced some limitation due to cope up with new environment as well a bunch of restrictions. Some of the limitations faced in preparing this report are:

- It was very difficult to collect the information from various personnel for their job constraint.
- There were some difficulties in understanding some activities due to not being relevant to the theoretical knowledge.
- Sometimes it was visual that face the problem of lack of power to take any necessary action. They had to wait for the central decision.
- Due to confidentiality the Bank's policy restricts disclosing some data.
- The study of such a short course of time is not free from limitation. So time limitation is the main point of limitation.
- The data relevant for the analysis report writing sometimes could not be collected due to excessive year-ending workload at the branch.
- At the beginning of internship it was tough for me to understand the environment of work
- Working in a practical banking environment is different from the academic knowledge.
- Employers are too busy with their desk work so they have less time to make me understand the desk job
- Bank has to maintain lot of secrecy soasa intern I was not allowed to know all stuff and information
- Learning all the banking functions about General Banking within just three months was really tough.

It is too much difficult to comment and suggest based on only the annual report and information collected from written documents.

3.6 Literature Review

Concept of customer satisfaction has a central position in marketing as it is a major outcome of marketing activity and it links the processes of purchase and consumption or use of the product or service to attitude change, repeat purchase and ultimately brand loyalty. Origin of the concept is related to the marketing concept that profit is generated through satisfaction of customer needs and wants. Business Dictionary defines Customer Satisfaction as: The degree of satisfaction provided by the goods or services of a company as measured by the number of repeat customers. Concept of customer satisfaction is new to many companies, who have been focused on price and availability of products. So, it is important to be clear the exact meaning of on exactly the term. Customer satisfaction is a state of mind that customers have about a product or services after using that product and service offered by a company in return of customer expectations about the products. Customer satisfaction leads to product repurchase that ultimately leads to brand loyalty. In early 1970's customer satisfaction emerged as a legitimate field of study. U.S department of agriculture's Index of Consumer satisfaction was the first study to report direct information on consumer satisfaction (Pfaff 1972). Customer Satisfaction Brand Loyalty and Profitability are linked to one another (Roger Halllowell 1996).

Customer satisfaction has been considered the essence of success in today's highly competitive banking industry. Prabhakaran and Satya (2003) mentioned that the customer is the king. Heskett et al. (1997) argued that profit and growth are stimulated primarily by customer loyalty. Ndubisi (2005), Gee et al. (2008) and Pfeifer (2005) pointed out that the cost of serving a loyal customer is five or six times less than a new customer. Several researchers including Tariq and Moussaoui (2009), Han et al. (2008) and Ehigie (2006) found that loyalty is a direct outcome of customer satisfaction. Generally speaking, if the customers are satisfied with the provided goods or services, the probability that they use the services again increases (East, 1997). Also, satisfied customers will most probably talk enthusiastically about their buying or the use of a particular service; this will lead to positive advertising (File and Prince, 1992; Richens, 1983). On the other hand, dissatisfied customers will most probably switch to a different brand; this will lead to negative advertising (Nasserzadeh et al., 2008). The significance of satisfying and keeping a customer in establishing strategies for a market and customer oriented organization cannot be ignored (Kohli and Jaworski, 1990).

Most of the researchers found that service quality is the antecedent of customer satisfaction (Bedi, 2010; Kassim and Abdullah, 2010; Kumar et al., 2010; Yee et al., 2010; Kumar et al., 2009; Naeem and Saif, 2009; Balaji, 2009; Parasuraman et al., 1988). Quality customer service and satisfaction are recognized as the most important factors for bank customer acquisition and retention (Jamal, 2004; Armstrong and Seng, 2000; Lassar et al., 2000). Service quality is

considered as one of the critical success factors that influence the competitiveness of an organization. A bank can differentiate itself from competitors by providing high quality service. Service quality is one of the most attractive areas for researchers over the last decade in the retail banking sector (Avkiran, 1994; Stafford, 1996; Johnston and Jeffrey, 1996; Angur et al., 1999; Lassar et al., 2000; Bahia and Nantel, 2000; Sureshchandar et al., 2002; Gounaris et al., 2003; Choudhury, 2008).

Service quality is an achievement in customer service. The SERVQUAL Model is an empiric model by Zeithaml, Parasuraman and Berry to compare service quality performance with customer service quality needs. One of the important issues related to service quality is the dimensions of service quality and the measurement tool, SERVQUAL developed by Parasuraman et al. (1988) has been the starting point of the controversy in this area. Parasuraman et al. identify five quality dimensions which link specific service characteristics to consumer expectations of quality. These five basic dimensions are Tangible, Reliability, Responsiveness, Assurance and Empathy.

Customer's satisfaction basically depends on various factors. Customers will be satisfied with the bank when they will get excellent and quality services from employees of bank on a continuous basis. There are different factors that influence customer's satisfaction level. In this research, I have tried to find out customer's satisfaction on five important dimensions of SERVQUAL model.

3.7 Methodology

The methodology of this report is very different from conventional reports. I have emphasized on the practical observation though this report has to need some primary and secondary data. Nevertheless, eventually almost the entire report consists of my practical observation.

Primary Sources:

- Survey
- Observation
- Direct conversation with clients
- Direct conversation with employees
- Branch inspection
- TCS
- Mystery shopping
- Mystery calling

Secondary Sources:

- Annual report on PBL
- Code of conduct
- PBL manual
- Different records of the bank
- Internet

Data recording process:

3.8 Recommendation

Followings are the some suggestions for improving service quality:

- Bank premises should have been improved. In this new era every commercial bank trying to decorate their branch with and modern equipment so that they pull the maximum clients. In that case prime bank has to be decorated with modern equipment. Though they are trying to replace their old equipment with the newer one.
- The tendency of maintaining premises must has been improved. It was extremely visual that many of the employees were not aware of proper maintenance of the office premises. The Service Quality Team should provide more training for maintenance of premises.
- Customers ask for more quality service especially quick, accurate service and good behavior from bankers as they think a private bank should provide such quality sufficiently. It has been found that inappropriate and slow work process often compels the customers to compare the bank with government bank, which is bad for the reputation of the bank. Thus they should take necessary steps to solve this problem.
- Prime bank should improve the quality of service in terms to employee behavior, customer greetings, customer acknowledgement. Though service quality are giving much emphasis on these issues, they need to train their employees more.
- The service quality should hire more people in this department. The number of people are existed in this department is no sufficient. So they need to think about this issue.
- Sometimes it was visual that face the problem of lack of power to take any necessary action. They had to wait for the central decision. The power should have been decentralized and give this team the ultimate authority in terms of giving any employee reward or penalization.
- PBL performs most of its activities systematically in their own server name “Temonus” T24 rather than manually which has linked all branches with the head office. Due to this software task become more, smooth and stress-free but the fact is that some of the time it does not work properly or work very slow that’s why the officers could not deliver the projected service to their valued customers. This may harm the reputation of the bank. Authority should take a necessary step to remove this problem.
- Telephone call should have been improved so that they can provide instant solution to their clients.
- Often customers complain that all customers are not treated equally. They have to wait a long time to have a service. According to them valued and loyal customers always get extra facility and customized services from officers where normal customer do not. Limited number of manpower is one of the reasons of lower customer service. If PBL recruits more employees and each and every employee are dedicated to their work than the quality of the service will of course increase. All the customers should treat in same manner. So Service Quality Team needs to work with that.

-
- Online facility of the Prime Bank limited should be improved. In order to compete in the competitive market they should adopt real time online banking system in every branch.
 - Service in rural area must be improved. They need to be updated according to the city's branches.

CHAPTER: 4

CONCLUSION

Prime Bank limited is one of the oldest bank in Bangladesh in early 90's and started their financial activities quite efficiently. This is one of the modern and leading commercial bank in Bangladesh. They are committed to provide high quality financial services and products to the customers and play an important role in the process of economic growth of the country. Nevertheless they are the pioneer in commercial banking in Bangladesh. The Bank is operating efficiently with its existing products and services. The emergence of fierce competition and adverse economic condition has forced the bank to be innovative in offering its products and customer services. In this competitive sector they have to ensure the quality service to retain their position. **Service quality** is a critical component of customer perceptions. In the case of pure services, service quality will be the dominant element in customers' evaluations, proper customer reception, proper acknowledgement, Eye contact, product knowledge. Profit of the bank will come, if there are large and big corporate customers. These customers will remain with the bank if service quality is superior. So PBL will have to ensure quality service in every single branch. For quality service PBL will have to solve problems of their customers. Every single and silly mistake can spoil their business. To provide quality service PBL will have to leave traditional method of banking. In this competitive world this sector has expanded its wings widely enough to cover any kind of financial services anywhere in the world. So PBL should take effective measures to satisfy customers. According to the survey, the services which the Bank provides to their clients are very prompt and quality one compare to other banks. So Prime Bank is the bank, which will survive in the banking sector in Bangladesh and dominate this industry with the slogan "**A Bank with a difference**"

4.1 Appendix

Name:					
Gender:	Male	Female			
Age:	Less than 20	20-30	30-40	40-50	50 & above
Education Level	Primary Education	Secondary Education	Higher Secondary Education	University	Postgraduate

SI /N :		Strongly Agree				Strongly
	Tangibles					
1	Prime bank has modern looking equipment	5	4	3	2	1
2	Prime Bank's physical facilities are visually appealing	5	4	3	2	1
3	Prime Bank's reception desk employees are neat appearing.	5	4	3	2	1
4	Materials associated with the service (such as pamphlets or Statements) are visually appealing at Prime bank.	5	4	3	2	1
	Reliability					
1	When Prime bank promises to do something by a certain time, it does so.	5	4	3	2	1
2	When you have a problem, Prime bank shows a sincere interest in solving it.	5	4	3	2	1
3	Prime bank performs the service right the first time.	5	4	3	2	1
4	Prime bank provides its service at the time it promises to do so.	5	4	3	2	1
5	Prime bank insists on error free records	5	4	3	2	1
	Responsiveness					
1	Employees in Prime bank tell you exactly when Services will be performed	5	4	3	2	1
2	Employees in Prime bank give you prompt service.	5	4	3	2	1
3	Employees In Prime bank are always willing to help you.	5	4	3	2	1
4	Employees in Prime bank are never too busy to respond to your request	5	4	3	2	1
	Assurance					
1	The behavior of employees in Prime bank instills confidence in you.	5	4	3	2	1
2	You feel safe in your transaction with Prime bank.	5	4	3	2	1
3	Employees in Prime bank area consistently courteous with you.	5	4	3	2	1
4	Employees in Prime bank have the knowledge to Answer your questions.	5	4	3	2	1
	Empathy					
1	Prime bank gives you individual attention.	5	4	3	2	1
2	Prime bank has operation hours convenient to all its customers.	5	4	3	2	1
3	Prime bank has employees who give you personal attention.	5	4	3	2	1
4	Prime bank has your best interest at heart.	5	4	3	2	1
5	The employees of Prime bank understand your specific needs	5	4	3	2	1

Service Quality Department
Concord IK Tower (1st floor),
Plot-02, Block- CEN (A), North Avenue,
Gulshan-2, Dhaka-1212

Branch Name:

Date:

As part Branch Inspection the Service Quality Team has visitedBranch at The findings are in below.

Premises:

Cash Area:

Customer Service Area:

Common observation:

Assessed By

Comparison Report
Concord IK Tower (1st floor),
Plot-02, Block- CEN (A), North Avenue,
Gulshan-2, Dhaka-1212

Premises

2015	2016	Comments

Cash Area:

2015	2016	Comments

Customer Service Area:

2015	2016	Comments

Overall Observation:

4.2 Bibliography

- www.primebank.com.bd
- Prime Bank - Wikipedia, the free encyclopedia. (n.d.). Wikipedia, the free encyclopedia. Retrieved April 1, 2016, from https://en.wikipedia.org/wiki/Prime_Bank_Limited (6:19 pm)
- Prime Bank – Hasanah Islami Banking > Deposit products, Retrieved April 1, 2016, from https://www.primebank.com.bd/index.php/home/islami_deposits (6:22 pm)
- www.google.com
- Prime Bank – About prime bank, Retrieved March 11, 2016, from https://www.primebank.com.bd/index.php/home/about_prime_bank (12.45 am)
- Prime Bank – Deposit scheme, Retrieved March 07, 2016, from https://www.primebank.com.bd/index.php/home/deposit_schemes
- Prime Bank – Deposits, Retrieved March 07, 2016, from <https://www.primebank.com.bd/index.php/home/deposits> (10.15 pm)
- Prime Bank – Corporate Banking, Retrieved March 01, 2016, from https://www.primebank.com.bd/index.php/home/corporate_banking (7.00 pm)
- https://www.primebank.com.bd/financial_report/Annual_Report_2013.pdf
- Different types of products of Prime Bank Limited i.e. Leaflets, Brochures etc.
- Zeithaml, Parasuraman & Berry, "Delivering Quality Service; Balancing Customer Perceptions and Expectations," Free Press, 1990.