Report On

Strategic Value Crafting for Product and Service Focus at Mutual Trust Bank PLC

By

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21304050

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

BRAC Business School

BRAC University

September 2025

Declaration

It is hereby declared that

1. The internship report submitted is my/our own original work while completing degree at BRAC University.

2. The report does not contain material previously published or written by a third party, except where this is appropriately cited through full and accurate referencing.

3. The report does not contain material which has been accepted, or submitted, for any other degree or diploma at a university or other institution.

4. I/We have acknowledged all main sources of help.

Student's Full Name & Signature:

Rufaida Umayer Ahmed

Student Full Name: Rufaida Umayer Ahmed

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Supervisor's Full Name & Signature:

Supervisor Full Name: Dr. Md. Arif Hossain Mazumder
Designation: Assistant Professor, BRAC Business School, BRAC University

Letter of Transmittal

Dr. Md. Arif Hossain Mazumder

Assistant Professor

BRAC Business School

BRAC University

Kha 224 Pragati Sarani, Merul Badda, Dhaka 1212

Subject: Submission of internship report on “Strategic Value Crafting for Product and Service Focus at Mutual Trust Bank PLC.

Dear Sir,

This is my pleasure to display my entry level position in General Banking and Credit Department of Mutual Trust Bank PLC Centre Corporate Branch, which I was appointed by your direction.

I have attempted my best to finish the report with the essential data and recommended proposition in a significant compact and comprehensive manner as possible.

I trust that the report will meet the desires.

Sincerely yours,

Rufaida Umayer Ahmed

21304050

BRAC Business School

BRAC University

September, 2025

Acknowledgement:

To begin with, I would like to express my heartfelt gratitude to Almighty for giving me such an opportunity and dedication to complete the report. Then I would like to express gratitude towards my on-site supervisor, Abdullah Al Jilani for his guidance during my internship at Mutual Trust Bank PLC Centre Corporate Branch. I am also grateful to the branch manager Mahbuba Mohsin Joya for her utmost support and assistance during my internship tenure.

Furthermore, I am grateful to my honorable faculty and academic supervisor, Dr. Md. Arif Hossain Mazumder, MIPA AFA, Assistant Professor, BRAC Business School, BRAC University to assist me demonstrating my experience and the learnings from my internship in the report.

Finally, a heart-warming thanks to all of the colleagues of Mutual Trust Bank PLC Centre Corporate Branch for their cordiality and co-operation that helped me to adapt with the working environment smoothly and promptly.

Executive Summary:

The report is a demonstration of MTB's strategic value crafting for its products and service offerings. The report shows in detailed discussion on MTB's core operations in general banking area starting from account management to customer service and record keeping. It also incorporates MTB's credit and loan department operations analyzing loan origination and sanction procedures as well as monitoring and documenting the loan agreements. MTB's operations and IT department activities, management practices including leadership style and human resource planning and marketing practices have been shown with detailed breakdown in the report. A porter's five analysis and SWOT analysis are also shown on MTB to portray MTB's competitive market position. The report identifies some crucial problems regarding MTB's rapid digitalization, its prompt diversification along with meeting up the emerging customer demands, customer satisfaction rate while analyzing regulatory compliance of MTB and how it is moving towards higher profit goals. To analyze these problems, several literatures have been reviewed to compare MTB's performance. Then data collected on MTB's daily operations and target fulfillment through document analysis via direct participatory observation and informal interviews from customers and employees. A quantitative analysis has been shown on MTB's profitability ratio, valuation ratio, liquidity ratio, consolidated cash position, solo cash position including foreign currency, MTB's composition of cash in hand, its balance with Bangladesh Bank and agent banks, its customer usage performance, MTB's customer retention and success rate etc. Furthermore, an in-detailed qualitative analysis has been done on MTB's diverse product and service offerings analyzing their key features and performances. A new addition in MTB's digital sector "MTB Neo" has also been discussed with the app's features and potential performance. Lastly, recommendations are provided for MTB's future service and working environment improvement.

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Chapter 01

Overview of Internship

1.1 Student Information:

Name: Rufaida Umayer Ahmed
ID: 21304050
Program: Bachelor of Business Administration
Major/Specialization: Accounting and Finance

1.2 Internship Information:

1.2.1 Internship Tenure and Organization Details:

I have done my internship at Mutual Trust Bank PLC’s corporate branch (MTB Centre). The internship tenure was 3 months. The corporate branch is located at 26 Gulshan Avenue, Gulshan-1, Dhaka-1212. My internship experience at Mutual Trust Bank PLC's corporate branch has provided me with hands-on exposure to the intricacies of the corporate world, as well as a comprehensive understanding of the banking sector in general. Throughout my internship, I have been exposed to a wide range of tasks, from handling daily banking procedures to providing customer service while ensuring proper regulatory compliance.

1.2.2 Supervisor’s Information:

During my internship, I was supervised by Abdullah-Al-Jilani sir. He is the 1st Assistant Vice President and Branch Operations Manager of Mutual Trust Bank corporate branch. I was fortunate enough to learn on regular complex banking operations under his supervision.

1.2.3 Job Scope - Key Responsibilities:

During my internship, I have been accountable for a diverse array of tasks to ensure the smooth functioning of the general banking area. I have been cooperative and diligent, maintaining meticulous records in the registrar book as well as in Excel for daily cheques and debit cards. Ensuring accuracy and reliability has been my foremost duty. A key aspect of my role was managing account opening procedures for numerous prominent companies, including Reckitt Benckiser, IDLC Finance PLC, and POP Distribution, among others. I have gained hands-on experience in handling sensitive customer information with utmost trustworthiness and reliability. Furthermore, the knowledge and nuance I have gained from handling various corporate accounts are incomparable.

Furthermore, I have been responsible for handling FDR (Fixed Deposit Receipt) forms, MTB Ababil (Islamic Banking) forms, MTB Angona (Women Banking) forms, MTB Extreme Saving Account forms (individuals seeking higher returns on deposits), MTB Inspire Account forms (for Students and Young Adults), MTB Regular Savings Account, MTB Senior Account (for aged individuals of 60+), MTB Shanchay Account forms, MTB Current Account forms, etc. These have expanded my knowledge of the diverse financial products offered by the banking sector. Additionally, my participation in preparing the loan statements and CIB (Credit Information Bureau) forms further enhanced my credit management experience. I have actively participated in regular vault management, reconciling the number of debit cards and cheques. I have had one-on-one experience dealing with customers who come to receive their cheques and debit cards, ensuring a smooth handover process. I have continued notifying customers encouraging prompt collection of their respective cheque books and debit cards in a timely manner. I was also assigned to keep records of unclaimed cheque books and debit cards. According to banking policy, unclaimed cheque books and debit cards must be destroyed after 90 days tagging "Destroyed" in the registrar book and excel list. I have ensured the updated record of the unclaimed items. In order to avoid future errors, I was assigned to verify each and every detail of these unclaimed items before destruction. Another effective task I have performed was handling "Travel and Miscellaneous Form" with proper accuracy. I had to actively ensure accurate and authentic documentation with necessary approval attached. I have also kept record of respective customers travel details like which country they are traveling and via which airlines, what is the country code of that country, how much dollar has been endorsed for the customer and on which date etc. I have experienced a great opportunity to deal with locker allotments for VIP customers. Hence, locker allotment is a crucial part for banks, and fortunately, I have participated in locker allotment tasks with my utmost dedication, preparing the registrar book and recording customer information there. I have comprehensively documented each and every data needed in the locker allotment registrar, documenting locker number, cabinet number, key number, customer name, whether the locker is going to be handled singly or gently, nominee information, customer address, and phone number, etc. I have also completed sealing on banking forms, filled out KYC (Know Your Customer) forms, prepared transaction profiles, and customer segmentation forms. I have also been accountable for registering DPS and FDR numbers from pre-generated files, keeping accurate records of them. My responsibilities included facilitating document approval with necessary signatures from the operational head and manager, as well as digitally archiving documents through scanning.

1.3 Internship Outcomes:

1.3.1 Skills and Experience gained during Internship:

The 3-month internship has been an invaluable experience in my life, with a strong and in-depth understanding of banking principles, protocols, and laws. My involvement in daily banking tasks, such as data entry, record-keeping, and managing banking documents, has significantly enhanced my interpersonal skills through the implementation of necessary initiatives and a focus on accuracy. I have gained practical experience in using banking software and systems efficiently. I have also had the opportunity to apply the technical skills I had previously developed. The experience was also very challenging to cope with in such a new and data-sensitive corporate world, but I have undoubtedly gained diverse experience in the financial landscape.

1.3.2 My Contributions to the Corporate Branch:

- ➢ Maintaining consistency and accuracy in record-keeping
- ➢ Ensuring an organized record of documents
- ➢ Enhancing customer satisfaction
- ➢ Ensuring efficiency in using banking software
- ➢ Improving data accessibility
- ➢ Handling account opening forms meticulously
- ➢ Handling loan statements efficiently

- Making records easily accessible
- Complying with banking regulations and principles
- Ensuring utmost dedication and assistance
- Handling "Travel and Miscellaneous Form" actively.
- Preparing locker registrar for VIP customers.
- Contacting customers on time to ensure prompt receival of cheque books and debit cards.

1.3.3 Problems/Difficulties faced during the Internship:

During my internship at Mutual Trust Bank's corporate branch, I was overwhelmed with too much work. It was hard for me initially to deal with the workload. Moreover, Mutual Trust Bank does not have specific seating arrangements for its interns. Fortunately, during my internship an employee was transferred and I could use her desk. Not only that, collecting information for my report was quite difficult for me because the employees are not that much co-operative. They remain busy with their work and keep assigning me tasks rather than giving me some time to collect data for my internship report.

1.3.4 Recommendations to Mutual Trust Bank PLC on Future Internships:

- MTB should ensure adequate ambience for interns. They should have a proper cooperation and supervision system for interns.

- The corporate branch has too much workload and pressure for interns. Since interns come to learn here, too much workload sometimes becomes demotivating and hard to learn.

- MTB should ensure proper acknowledgement for interns. During an internship, interns have to do many tasks, but they are barely acknowledged, which is disappointing.

Chapter 02

Organization Part

2.1 Introduction:

This chapter represents a comprehensive overview of my internship at Mutual Trust Bank PLC. It portrays a brief idea on Mutual Trust Bank's strategic direction and core functional areas. The chapter explores key operations performed by Mutual Trust Bank PLC to strengthen its financial standing and technological infrastructure. It incorporates Mutual Trust Bank's performance from the perspective of broader banking sector of Bangladesh.

Objectives of the Study:

- ❖ Understanding the practical operations performed in private commercial banks of Bangladesh.
- ❖ Relating the academic knowledge of Accounting and Finance with real-world banking practices.
- ❖ Analyzing Mutual Trust Bank PLC's operational competence.
- ❖ Evaluating Mutual Trust Bank PLC's operational management system.

Scope of the Study:

The report is written on the basis of my internship experience at Mutual Trust Bank's corporate branch. The report will specifically highlight the general banking operations performed in MTB's corporate branch. Furthermore, many of internal data are crucial and sensitive which as an intern I cannot access to. The report only demonstrates the research based on data available to public.

Methodology:

The report consists of both quantitative and qualitative data. The quantitative data have been measured on basis of publicly available information (MTB annual reports, MTB official website, MTB brochures etc.). The qualitative data I have collected from my direct observations, interactions with some of MTB employees and customers.

Limitations of the Study:

- **Time Constraints:** The internship duration of 3 month is not adequate to get overall information about Mutual Trust Bank's each and every unit's operations.
- **Data Confidentiality:** As an intern, I am not authorized to get sensitive information about bank's internal things as well as customers' sensitive data in loan files.
- **Scope Limitations:** Since my internship was at corporate branch, the report is mostly based on corporate branch's daily operations' data.

2.2 Overview of Mutual Trust Bank PLC:

Mutual Trust Bank PLC is known as a third-generation private commercial bank of Bangladesh. The moto of MTB is "Be the bank of choice". MTB aspires for evolving into a world class bank with its dynamic and innovative approach. MTB is a client-focused bank and intends to be the most admired financial institution of Bangladesh. After its inauguration, MTB started expanding real-time online banking and introducing card products. In addition, it had launched SME service center very soon of its inauguration that helped MTB to extend towards SME sector successfully.

2.2.1 Background of Mutual Trust Bank PLC:

Mutual Trust Bank was established on 29th September 1999. It received its banking license from Bangladesh Bank on 5th October, 1999. October 24, 1999, was the day Mutual Trust Bank PLC commenced its banking operations. Mutual Trust Bank has long been recognized for its customer-centric approach and comprehensive range of banking products. In 2003, MTB has first introduced its real-time online banking while during 2008 to 2011, it has launched its own SME service center for the first time welcoming approximately 100,000 customers. MTB Tower was first established in 2014 and during that year, for the first time ever, MTB was awarded subsequently for “SME Bank of the Year” and “Women Entrepreneurs Friendly Bank”. It has gradually expanded its services to individuals, SMEs, and corporations. The corporate branch of Mutual Trust Bank, MTB Centre, has been serving as a pivotal hub for corporate entities.

2.2.2 Vision and Mission of Mutual Trust Bank PLC:

It has a vision of enhancing customer satisfaction with sustainable banking practices. MTB has set its mission to elevate customers’ lives with innovative financial solutions. MTB is dedicated to its commitment and always keeps its employees forward-thinking to confront any kind of challenge. According to its vision and mission, MTB is committed to building a strong workforce and developing team leaders to reach the pinnacle of Bangladesh’s banking sector.

2.2.3 Strategic Goals and Initiatives of Mutual Trust Bank PLC:

As part of its strategic goal, Mutual Trust Bank emphasizes digital transformations with proper accuracy and reliability. It invests heavily in technology. MTB offers mobile banking, internet banking, and app-based services to its customers. MTB is well-known for its customer-centric approach. It consistently strives to enhance customer satisfaction by offering personalized services. MTB strongly focuses on maintaining a healthy loan portfolio while ensuring proper compliance with the regulatory framework. MTB has a strong commitment to investing in talent development through appropriate employee training.

2.2.4 Competitive Positioning and Network of Mutual Trust Bank PLC:

MTB has become one of the most competitive banks in Bangladesh over the past decade, competing with larger private banks. It has built a strong corporate client base, offering innovative financial solutions and superior banking services. Undoubtedly, MTB has positioned itself in a strong position, exploring a wide range of banking areas. MTB has more than 150 branches all over the Bangladesh along with large ATM network. MTB has investments in agent banking and mobile eBanks also. Furthermore, MTB is investing more in building a skilled workforce, which enables MTB to grow its potential. As mentioned earlier, currently, MTB has a robust branch network operating in several cities across Bangladesh. The way MTB has diversified its services in vast areas is quite praiseworthy. MTB holds a strong presence in Dhaka along with a diverse list of branches-

- Motijheel (Principal Branch)
- Banani
- Tejgaon
- Gulshan (including Corporate Branch and Gulshan Avenue Branch)
- Progati Sarani
- Baridhara
- Bashundhara Residential Area
- Dhanmondi (multiple branches)
- Mohammadpur
- Elephant Road
- Panthapath
- Mirpur

- Uttara (including Model Town and Shah Mokhdum Avenue)
- Savar
- Madartek
- Madaripur
- Narayanganj (including BSCIC Branch)
- Gazipur (including Tongi)
- Mymensingh
- Tangail
- Kishoreganj
- Manikganj
- Faridpur
- Gopalgonj
- Madaripur
- Narsingdi
- Munshigonj
- Rajbari
- Shariatpur

MTB also runs a good number of branches in Chittagong-

- Agrabad
- Jubilee Road
- Khatungonj
- Alankar Mor
- Oxygen Mor
- CDA Avenue
- Chattogram Medical College
- Rahattarpool
- Cumilla (multiple branches)

- Feni (a good number of branches)
- Cox's Bazar
- Chandpur
- Lakshmipur
- Noakhali
- Rangamati

MTB's branches in the Rajshahi division-

- Rajshahi
- Bogura
- Pabna
- Naogaon
- Joypurhat
- Natore
- Sirajganj

MTB's branches in the Khulna division-

- Khulna
- Jashore
- Kushtia
- Bagerhat
- Chuadanga
- Jhenaidah
- Magura
- Meherpur
- Narail
- Satkhira

MTB’s branches in the Sylhet division-

- Sylhet (including Shiber Bazar)
- Maulvibazar
- Sunamganj

MTB’s branches in the Rangpur division-

- Rangpur
- Dinajpur
- Gaibandha
- Kurigram
- Lalmonirhat
- Nilphamari
- Panchagarh
- Thakurgaon

MTB’s branches in the Barisal division-

- Barishal
- Barguna
- Bhola
- Jhalokati
- Patuakhali
- Pirojpur

ATM Network of Mutual Trust Bank PLC-

MTB has meticulously expanded its ATM network throughout Bangladesh, ensuring convenient banking for its customers. MTB has strategically located its ATMs in areas where customers require ATM services the most.

MTB has intended to go beyond physical locations through-

- MTB has established a significant number of "Agent Banking Centres". It has enhanced its agent banking services towards rural and semi-urban areas, targeting the broader mass population.
- MTB has introduced "MTB eBank" through its mobile app and web platform to ensure real-time fund transfer services like MTB to MTB, RTGS, BEFTN, etc.
- MTB has partnerships with "Guardian Life Insurance Limited" and "Green Delta Insurance" to offer attractive insurance products and services to customers.

2.3 Mutual Trust Bank PLC's Operations (General Banking Area):

- **Core Operations:** Under core operations, MTB functions day-to-day transactions, ensuring proper facilities for customers as well.

- **Key Operations:** Under key operations, MTB handles-

    - **Account Management:** MTB handles various types of accounts, including current, savings, corporate, Islamic (MTB Ababil), and specialized accounts for women (MTB Angona), among others. It handles clients from prominent industries and manages each function with meticulous care. MTB ensures proper and accurate detailing in account opening forms (ensuring KYC< customer segmentation form, transaction profile). Furthermore, verifying customer NID and

E-TIN, as well as ascertaining nominee information, is one of the properties of MTB while preparing account opening forms.

- **Cash and Cheque Operations:** Under this section, MTB manages deposits, processes withdrawals, and keeps records of daily cheques.
- **Card Services:** From issuance to activation and delivery, MTB handles debit cards with sincerity and ensures the proper collection of cards.
- **Form Processing:** MTB handles various forms, including the FDR (Fixed Deposit Receipt), DPS (Deposit Pension Scheme), and Islamic Banking (MTB Ababil) forms, among others. It continues its digital archiving operations, like scanning with proper accuracy.
- **Document Management:** MTB has strict policies in place for document management, ensuring the proper digital archiving of account opening forms, signature cards, loan statements, and other relevant documents.
- **Customer Service:** Addressing each customer’s requirement is MTB’s prime concern. It enquires about customers’ minor to major issues and tries to solve them as soon as possible.
- **Record Keeping:** MTB maintains registrars, as well as Excel sheets, to ensure proper and accurate record-keeping.

➢ **Inter-departmental Operations:**

To ensure smooth back-office processing, the general banking sector frequently interacts with the operational head, whether it is for credit record documentation or customer service purposes.

2.4 Mutual Trust Bank PLC's Credit and Loan Department Operations:

- **Core Functions:** Under the core functions of credit and loan management, MTB assesses the creditworthiness of loan-seeking customers before sanctioning loans of all types, including personal loans, corporate loans, SME loans, and retail loans.

- **Key Functions:** Under the key functions of loan and credit management, MTB handles-

    - **Originating Loan:** After receiving a loan request, MTB conducts a financial analysis and risk assessment with proper diligence.
    - **Sanctioning Loan:** MTB ensures compliance with loan policies while approving loans.
    - **Monitoring Loans and Recovery:** MTB tracks loan performance to ensure timely repayments and effective recovery.
    - **Documentation:** MTB verifies the loan agreements and associated documents provided in good faith. It keeps scanned records of loan statements along with CIB (Credit Information Bureau) forms.

2.5 Mutual Trust Bank PLC's Operations and IT Department:

- The operations and IT department of MTB handles the technological infrastructure of banking operations.
- The department ensures the smooth functioning of software and ATMs.
- It ensures proper caution against cyber threats.
- The department ensures proper automation of technologies used in daily banking operations.
- Finally, the department ensures the accurate digital archiving of sensitive customer information.

2.6 Management Practice of Mutual Trust Bank PLC:

MTB's board of directors emphasize most importantly on strategic and policy-based direction. The daily operations of the bank are meticulously handled under core supervision of senior management. MTB strongly maintains robust leadership model strong compliance of regulatory policies and risk management. Furthermore, MTB pursues a multi-stage hiring process for candidates while requiring compliance with organizational policies. MTB's leadership style and human resource planning process are described in detail below -

2.6.1 Leadership Style:

The leadership style of MTB is team-oriented. Branch managers and department heads maintain flexible communication regrading each and every banking operations. They regular consult with mid-level officers and allow them to participate in strategic decision making. This collaborative approach MTB follows to strengthen its leadership style is undoubtedly praiseworthy and at the same time it enhances bank's accountability and sustainability.

2.6.2 Human Resource Planning:

MTB's Human Resource Department goes through a thorough supervision during application screening process, medical clearance with reference checking with proper scrutinization of candidate's alignment with organizational requirement. The multi-stage hiring process of MTB is listed down below -

- ➢ **Recruitment and Selection:** While recruiting candidates, MTB follows merit-based recruitment process. It evaluates internal references along with candidates coming from university collaborations.

- **Compensation System:** MTB follows a competitive salary structure with attractive incentives and bonus facilities. It has insurance coverage policy for its employees as well.
- **Training and Development:** MTB arranges in-house and external, both type of training facility for its employees. It has specialized training programs for MTB Islamic Banking, MTB Digital Banking etc.
- **Performance Appraisal:** Based on performance, MTB revises its employee’s salaries, promotions and bonuses.

2.6.3 Marketing Practices of Mutual Trust Bank PLC:

MTB’s marketing practices showcase its brand visibility engaging customers with diverse product and service offerings. MTB has designed a “Customer-centric and Product differentiated Strategy” for both its corporate and retail clients. It had positioned itself as a digitally expert and Shariah-compliant bank. As part of MTB’s product development, it has recently introduced products like MTB Inspire Account, MTB Islamic Kotipati, MTB Islamic Lakhopati etc. MTB operates its own website and regulatory update information there. It uses TV, billboards, Youtube ads as its promotional channel. In 2023, MTB had arranged “MTB Retail Fest 2023”, a week-long fest from 8^{th} October to 15^{th} October which was themed on MTB’s celebration of joy and success in retail banking. This campaign intended to engage customers notifying them on Privilege Banking, MTB Cards, Payroll Banking, Agent Banking etc.

2.7 Porter’s Five Analysis for Mutual Trust Bank PLC:

Porter’s Five Analysis has been introduced by Michael E. Porter, a Harvard business professor shaping the model as a framework for industry’s structure and long-term profitability analysis. This analysis gives an in-detail overview on a company’s strategic positioning, risk analysis as well as competitive advantages. The project showcases the similar analysis using Porter’s Five Model to evaluate MTB’s competitive positioning in the market and overall banking industry. It will demonstrate MTB’s upcoming threat of new entrants and what is the intensity of the threat. In addition, the model will analyze what is the bargaining power of MTB’s suppliers, mostly emphasizing depositor’s level of influence. Subsequently, in further steps the project will cover MTB’s customers’ bargaining power on MTB, exploring the options available to the customers and to what extent they have the switching capacity. In fourth stage, the substitutes availability in alternative to MTB’s products will be analyzed and finally the project will evaluate MTB’s position in the market compared to its rival and the intensity of competitive rivalry.

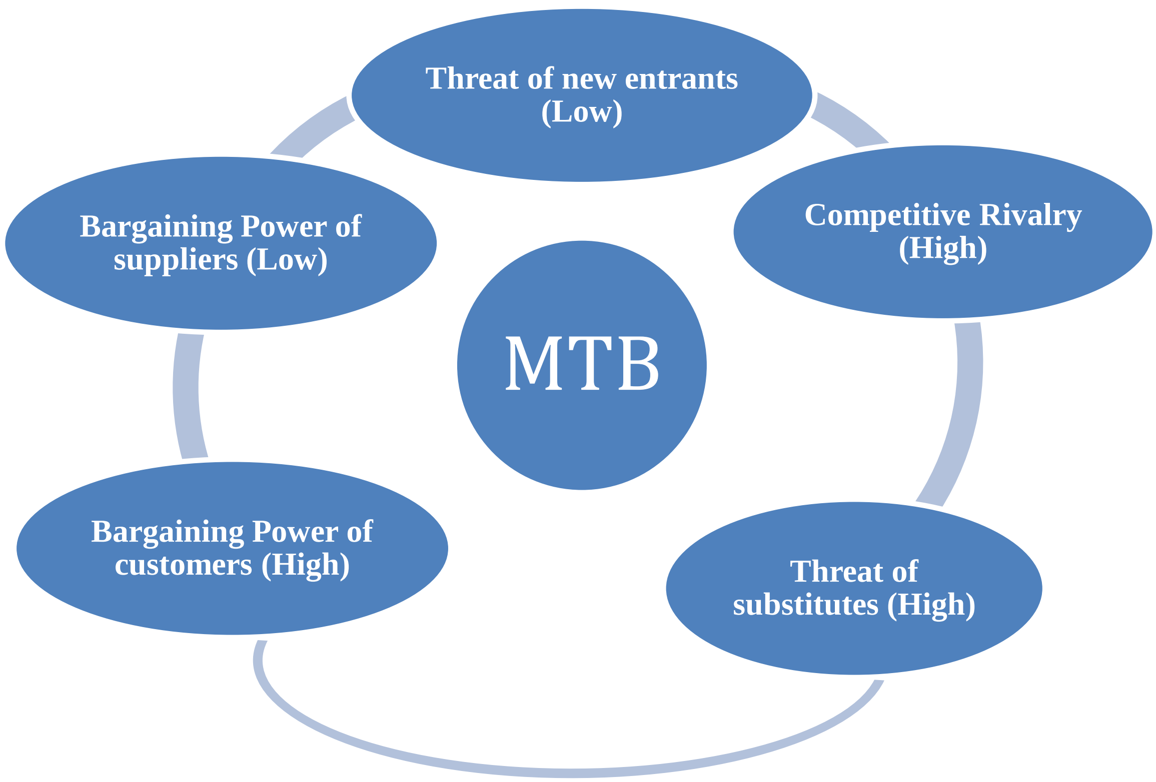

Figure 1: MTB’s Porter’s Five Analysis

The components of Porter’s Five Analysis shown in the above diagram for MTB are discussed below –

- **Threat of New Entrants:** In the overwhelmed banking sector of Bangladesh, the threat of new bank is low for MTB. Since Bangladesh Bank has now strict licensing process for banks, entry of new banks is a little bit hard now. If a new bank enters, it will not be that much riskier for MTB since it has already made a strong position in Bangladesh's banking sector.

- **Bargaining power of Suppliers:** Bargaining power of suppliers is quite low for MTB since the suppliers are mainly depositors with minimum influence.

- **Bargaining power of Customers:** In Bangladesh, especially in Dhaka city, there are so many banking options available now that customers have the power to switch wherever they want. Hence, customers have choices to switch BRAC Bank, Eastern Bank or City Bank which are the core competitors of MTB. So, bargaining power of customers for MTB is quite high.

- **Threat of Substitutes:** Threat of substitutes is high for MTB. Considering MTB's mobile banking apps like MTB Neo, BRAC Bank has also available Bkash, for digital account opening platform, BRAC Bank has BRAC Astha App.

- **Competitive Rivalry:** MTB has a highly competitive rivalry with banks like BRAC Bank, City Bank, Eastern Bank etc. because everyone now operating on a digital space and have platforms available for Islamic banking as well.

What is coming ahead for MTB?

From the Porter's Five Analysis of MTB, it is clear despite the highly competitive rivalry, MTB has a strong position in the market because of its service diversity. MTB has good potentials to grow in digital sector with the upgradation of MTB Neo and other agent banking services. Undoubtedly, MTB has an upscaling performance in SME financing and sustainable banking having successful collaboration with fintech firms and insurance companies. The customer-centric approach of MTB holds a good impact in MTB’s near future because of their design of personalized services using data analytics and privilege banking.

2.8 SWOT (Strengths, Weaknesses, Opportunities and Threats Analysis) of Mutual Trust Bank PLC:

SWOT analysis stands for strengths, weaknesses, opportunities and threats analysis that is used as a strategic tool in order to analyze and evaluate a company’s position in competitive surroundings.

The project demonstrates the SWOT analysis for MTB to showcase its strategic planning processes, competitive advantage while managing risk and the roadmap MTB has designed for its potential growth. This strategic analysis (SWOT Analysis) is relevant to MTB to analyze its strengths like strong brand image, sustainability and pathway to future leadership, analyzing diverse portfolio, strong networking etc. Furthermore, the project details down the weaknesses of MTB such as limited global exposure, extensive urban reliance, dependency on manual paperwork etc. In addition, the project portrays potential opportunities MTB has in the digital banking sector with enhanced approach towards agent banking and so on. Finally, the project showcases the probable threats MTB has in this highly competitive digital banking sector such as customers having vast of alternatives available, their switching capacity, competitive rivalry and so on. The SWOT analysis of MTB is detailed down below -

Strengths:

- MTB offers strong Islamic product line.
- It has a wide branch network along with ATMs.
- The HR team of MTB is quite strong and competitive.

Weaknesses:

- MTB has limited global exposure compared to BRAC Bank, City Bank.

- Some of MTB's operational strategies are outdated which they should upgrade.
- MTB has not still not get over the reliance on manual paperwork which should be taken under consideration.

Opportunities:

- MTB has growing potential in digital banking sector.
- MTB has enhanced its agent banking.
- MTB has diversification in its product and service offerings which is driving it towards huge success.

Threats:

- MTB has high competition in digital banking platform with BRAC Bank and City Bank.
- MTB has threats of rapid customer switching since customers have got so many banking options available now.

The SWOT analysis of MTB explicitly draws upon the strengths MTB has while dealing with its weaknesses and threats and as well as how MTB is utilizing its opportunities to expand more.

2.9 Summary:

This chapter breaks down the objectives of this project and covers the scope of collecting data as well as what methodologies used in data collection. In addition, this chapter mirrors the overview and background of MTB with its vision, mission and strategic goals. The chapter contains overview on MTB's strong positioning with huge branch network around Bangladesh. Furthermore, the chapter incorporates MTB's regular operational strategies in general banking sector, the marketing approaches they follow, the leadership style MTB maintains and the hiring process of MTB’s HR department. It also picturizes MTB’s Porters Five Analysis and SWOT Analysis to draw the competitive positioning and future potentials of MTB.

Chapter 03

Project Part

3.1 Introduction:

Considering the contemporary banking situation in Bangladesh, the entire banking industry is characterized by rapidly growing and intense competition, as well as evolving customer expectations. In the dynamic banking industry, technological advancements have compelled banks to go beyond conventional banking offerings, rather “crafting value” for their customers. Mutual Trust Bank PLC is no exception. Undoubtedly, MTB is a forward-thinking bank with a strong emphasis on customer value maximization and delivering excellence. MTB always focuses on innovation and sustainable banking practices.

This chapter will outline the methodology and scope of my project, “Strategic Value Crafting for Product and Service Focus at Mutual Trust Bank PLC". The research delves into Mutual Trust Bank PLC’s operations, assessing existing service offerings and identifying areas where proposed actionable strategies have been successfully implemented. The insights I gained from being directly involved in corporate branch functions during my internship, such as corporate account openings, loan statement preparation, and daily financial record-keeping, will serve as an empirical framework for my research.

3.1.1 Background and Problem Statement:

Bangladesh's banking sector has undergone a significant transformation recently due to rapid digitalization, higher customer expectations, fast-changing banking industry, rapid growing competition and so on. In this promptly diversifying and changing surrounding, each and every bank is required to diversify its service offerings as well as properly aligning with customer demands and expectations. Not only that but also proper regulatory compliance having potential profit goals besides is very important.

During my internship at MTB's corporate branch, I got the opportunity to explore the vast array of MTB's products and services – Fixed Deposit Receipts (FDR), current or non-individual account, savings account etc. This experience allowed me to critically observe the account opening and documentation procedures of MTB along with its loan statement and other credit information related management.

Based on my scrutinized and critical observation during internship, a background on MTB's way of dealing in competitive banking sector and some crucial factors like MTB's performance analysis while satisfying customers and achieving profitable goals, its service delivery mechanisms, regulatory compliance highlighted in the problem statement are discussed below -

Background:

The banking industry in Bangladesh is now highly competitive, experiencing significant growth alongside digital transformation. Liquidity stress, the threat of deterioration in the quality of bank offerings, and upgraded governance requirements have added to the ongoing challenges. To remain competitive, banks must adopt innovative services to deliver to customers, along with adapting their mobile banking and internet banking offerings.

During my internship at the Mutual Trust Bank PLC corporate branch, MTB Centre, I was exposed to a wide range of product and service offerings from MTB. It has provided me with hands-on experience in dealing with Fixed Deposit Receipts (FDR) services, Angona (Women's Banking) services, MTB Ababil (Islamic Banking) services, MTB Extreme Saving Accounts (individuals seeking higher returns on deposits), MTB Inspire Account (for Students and Young Adults), MTB Regular Savings Account, MTB Senior Account (for aged individuals of 60+), MTB Shanchay Account, MTB Current Account, and other related services. Through my internship experience, I have first-hand exposure to daily banking operations, including account opening and record keeping, handling prominent bank account forms of leading companies like Reckitt Benckiser, IDLC Finance PLC, preparing loan statement forms, dealing with critical financial documents, verifying customer NIDs, preparing Credit Information Bureau (CIB) forms, preparing locker allotment registrars for VIP customers and keeping record in them, etc. However, all of these are fundamental functions I have dealt with in MTB’s corporate branch. As an intern, the most important thing I have observed is that to meet customers’ expectations, engaging with them through conversations and ensuring optimal value are vital roles a banker must play.

Problem Statement:

MTB is in a position now where it has explored in several baking areas. It has multiple diversified conventional banking services, Islamic banking services and even RFCD (Resident Foreign Currency Deposit) also. However, in this world, nothing can escape the drawbacks. While exploring MTB’s service performance, I have identified few things that needed to be taken under proper observation.

Although MTB has a diverse suite of products and services, a critical observation and evaluation are required to determine how effectively the current product and service features are meeting evolving customer demands, whether the delivery mechanisms are up to standard, and whether the satisfaction drivers MTB is using for retail customers are sufficient, how MTB’s products are performing, what is the customer satisfaction rate, how each product is contributing in MTB’s annual profit. Finally, an observation is required on the regulatory compliance of Mutual Trust Bank PLC.

3.1.2 Objectives:

The primary objective of this project is to develop practical recommendations for enhancing the value of MTB products and services. For this, optimizing operational processes while achieving customer satisfaction at large is required, along with proper regulatory compliance.

Among other objectives, some are more specified. These specified objectives are mentioned below:

- ➢ Identifying financial management needs while serving corporate clients
- ➢ Assessing the current customer satisfaction level to make a long-term relationship with them
- ➢ Identifying operational inefficiencies by observing the impact on financial costs and resource allocation
- ➢ Exploring the potential for digital banking and enhancing automated banking services
- ➢ Finally, refine product features, conduct cost-benefit analysis, and address operational risk.

The above objectives are going to be covered below of this project. The further interpretation of the objectives will demonstrate a brief idea on MTB's overall functional and financial efficiency as well as customer relationship management.

3.1.3 Significance of the project:

The project possesses a significant value to several entities and stakeholders including MTB itself. It contains insights of MTB's product and service features with maximized value driven for customers at large. The significance of the project is interpreted below:

- **Significance for Mutual Trust Bank PLC:** The project's findings will provide significant insights into MTB's competitive advantage, enabling the optimization of its offerings. It will also offer insights into MTB's service delivery mechanisms, ensuring strengthened financial performance. The project can lead to MTB improving customer retention while also attracting new customers. It will provide recommendations for tangible improvements in banking operations, ensuring the bank's bottom line benefits.

- **Significance for the overall banking industry of Bangladesh:** The research in my project delves into a broader understanding of value maximization in banking. It will contribute to the strategies that need to be adopted concerning corporate and retail banking. It will also provide recommendations on how to improve customer satisfaction from an accounting and finance lens.

- **Significance for academic knowledge for future Accounting and Finance students:** This research project is a meticulously prepared applied research piece that elaborates on the practical application of both accounting and finance principles in the real-world banking sector. It will provide valuable insights for future academic studies on cost analysis, risk management, and regulatory compliance.

- **Significance for future interns and researchers:** This project will provide valuable insights to future interns and researchers from Accounting and Finance backgrounds, giving them a clear understanding of banking operations and the Bangladesh banking industry. It will also provide knowledge on financial products and customer relationship management. The project will help researchers further explore the development of banking operations through digital transformation.

Hence, the project covers all necessary findings and insights on MTB's performance. It is not only holding significance for MTB rather for the overall banking industry of Bangladesh. The project will also be effective for future Accounting and Finance students as well as future interns.

3.1.4 Scope of Study:

Firstly, the project has a geographical limitation within Dhaka, as my internship was at MTB's corporate branch located in Gulshan, Dhaka. Furthermore, this project is primarily focused on different customer segments of MTB, including corporate clients, retail segments such as MTB Ababil, MTB Angona, and FDR, as well as Student accounts, among others. Since my internship tenure is only 3 months, the insights provided in this project are most recent and based on short-term observations. I provide maximum insights through my accounting and finance knowledge and experience gained during my internship, which also offers hands-on experience in daily banking operations. Furthermore, some data have been included on basis of interviewing customers and existing employees of the corporate branch.

Exclusion: The project cannot cover banking product pricing in the broader market, nor analyze the credit risk model with proper detail. The project is mostly focused on MTB' s product and service features, performances and customer satisfaction level based on the service's driven value. It will not highlight number of credit default of MTB, its credit analysis or loanable fund's status.

3.2 Literature Review:

The concept of "Crafting Value" in the banking sector is an evolving idea, given the current growth of the banking industry. This research project will highlight the transition from a transaction-centric banking model to a relationship-centric banking model, as suggested by prominent articles, and how it has been applied at Mutual Trust Bank PLC, going beyond traditional banking literature. The project emphasizes MTB's service quality based on customer experience and operational efficiency.

Value Creation in Banking: According to Michael E. Porter and Mark R. Kramer, in the article "Creating Shared Value", in value creation, banks focus on how they can create economic value for customers by addressing their societal needs and concerns. In the language of banking, these needs and concerns are translated into designing products and services that are not only profit-oriented but also customer-centric, while satisfying customers' financial needs, especially those of underserved groups, such as SME Banking and Women Banking, or banking services focused on the rural population. ***(Porter & Kramer, 2022).***

Product and Service Focus in Banking: According to Antony Jenkins in his article "Banks must shift their focus from being product-centric to customer-centric", banks serve a diverse range of customer segments, from rural populations to corporate clients. The retail products banks are currently offering to diversify their customer segments, including offerings like FDR, savings accounts with competitive interest rates, are well-structured retail services that align with customers' needs. The literature suggests that product and service differentiation are essential to gain a competitive advantage in the growing banking industry, and MTB is evolving at a similar pace. ***(Jenkins, 2023).***

Operational Efficiency in Banking: According to Katherine Regnier's article "Operational Efficiency in Banking: Strategies Every FI Needs To Know", creating sustainable value and ensuring profitability requires banks to prioritize operational efficiency. Studies have found that to improve operational efficiency, banks are now reducing manual interventions and utilizing technology, while enhancing service delivery at lower operating costs.

- **Account Opening:** The account opening procedure involves a significant amount of paperwork, including completing KYC forms, transaction profiles, and segmentation forms. These tasks must be completed efficiently; otherwise, it will result in increased processing costs and heightened customer frustration.
- **Loan Management:** Loan statements and CBI forms must be prepared on time for regulatory reporting purposes. Any kind of delay or error can result in a hassle for banks.

- **Record Keeping:** Record keeping is a crucial task for a bank, both manually and digitally. It requires proper regulatory compliance with meticulous dedication, as any error can lead to disaster in the bank's data collection process. ***(Regnier, 2025)*.**

Digital Transformation:

According to PwC Bangladesh, the emergence of digital transformation in banking has led to a massive revolution in delivery systems, enabling internet banking, automation, and banking through mobile apps, among other advancements. It has facilitated remote access to services while enhancing data analytical capabilities. Undoubtedly, digital enhancement in the banking sector has transformed traditional banking practices into a secure and faster banking sector. This digitalization has promised data integrity to customers, creating long-term relationships with them. ***(PricewaterhouseCoopers, n.d.)*.**

Challenges in Bangladesh's Banking Industry:

According to the Dhaka Tribune, Bangladesh has a high incidence of non-performing loans, accompanied by increased liquidity concerns. The macroeconomic challenges Bangladesh is facing are directly impacting banks, leading to unstable lending structures, an inability to handle risks, and a lack of compliance with Basel III, among others. ***(Dhaka Tribune, 2024)***

Summary of the Literature:

The literature emphasizes creating and maximizing value for a bank while enhancing operational processes with innovative product and service offerings and navigating the efficient use of technology. The theory of this research will be underpinned by MTB's approach towards differentiating its products and services.

Conceptual Framework Diagram of MTB based on the Literature Review:

The conceptual diagram will portray the flow of MTB's operational process while creating value for its customers and for its own financial position as well. A diagram on MTB's conceptual framework based on the literatures reviewed for the project is shown below -

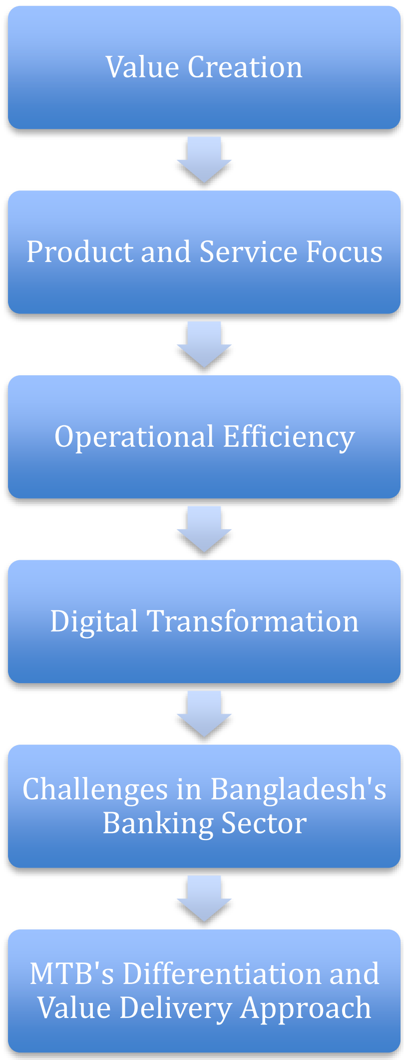

Figure 2: MTB's Conceptual Framework Diagram

- **Value Creation:** This point specifically highlights the foundation of a company or a bank like MTB. It will focus mostly on MTB's approach towards customers while ensuring profitability and address what strategic value MTB is creating.

- **Product and Service Focus:** This point addresses the shifting of MTB's approach from product-centric to customer-centric like MTB Angona for women, MTB Ababil for Islamic banking, MTB Inspire for young individuals and students etc.
- **Operational Efficiency:** This point will cover the analysis if MTB's daily operations including account opening, loan management, record keeping and so on.
- **Digital Transformation:** It demonstrates MTB's performance in enhancing customer experience and efficiency while adapting with digital tools and features of innovative and smart product offerings. It highlights MTB's launch of mobile app, automation process and internet banking adaption.
- **Challenges in Bangladesh's Banking Industry:** This point addresses the rapid transformation of Bangladesh's banking industry and how MTB is dealing with it such as evaluating MTB's non-performing loans, liquidity crisis and regulatory compliance related issues.
- **MTB's Differentiation and Value Delivery:** The final outcome of the framework identifies how MTB is holding its strong position in this competitive market while crafting value for customers and maintaining sustainability.

3.3 Research Design and Data Collection Methods:

The research design and data collection methods used for the report are discussed below -

3.3.1 Research Design:

This research project has been designed as a "Participatory Action Research." The research incorporates data collection based on my active participation in the daily operations of the MTB corporate branch as an intern, with an authentic understanding of issues and context-specific solutions. This project is mirrored as a reflection of my critical observation.

3.3.2 Data Collection Methods:

The project is a mix of both qualitative and quantitative data collection with comprehensive insights on document analysis which is done through direct participatory observation. Furthermore, informal interviews have been taken of existing employees of the corporate branch and customers as well on basis of which data collected.

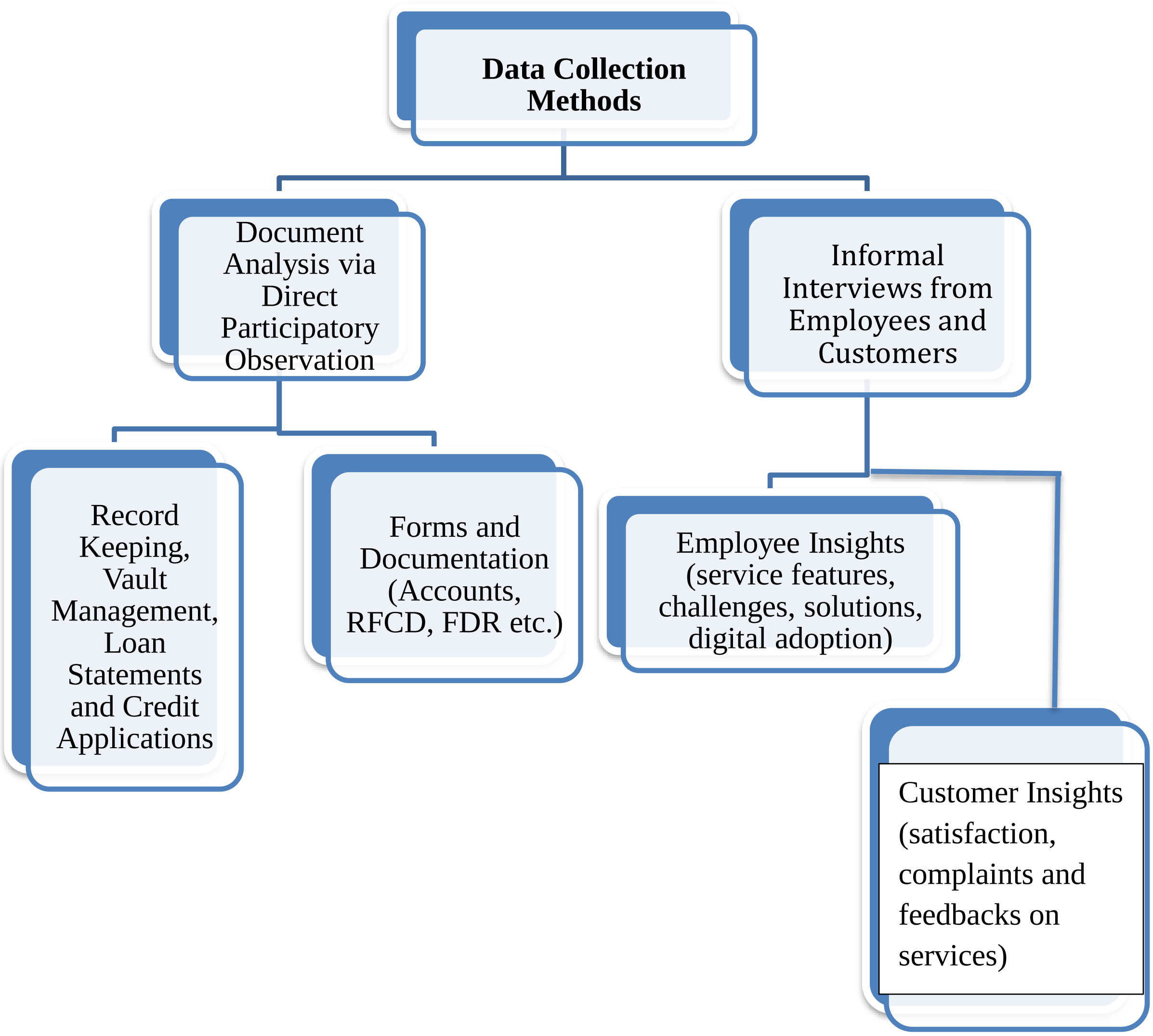

Figure 3: Data Collection Method

The data collection methods mentioned in the diagram are discussed in detail below –

❖ 3.3.2.1 Document Analysis via Direct Participatory Observation:

During my internship, I have got an opportunity to prepare account opening forms (Individual Accounts, Non-individual/Current Accounts, RFCD Accounts) etc. Furthermore, I have prepared credit application forms along with CIB forms. All of my activities that let me do the document analysis for my report have been mentioned below:

- Observing corporate account opening steps and required documents, such as the KYC form, segmentation form, transaction profile, etc.
- Understanding documentation flow handling FDR, Ababil, and Angona forms.
- Analyzing data sources used in preparing loan statements and CIB forms.
- Participating in vault management and reconciling cheques.
- Keeping a record of daily cheques, debit cards in a registrar book, and Excel.
- Scanning account opening and CIB forms with proper detailing.
- Keeping a record of customer signature cards.
- Analyzing MTB’s financial statements.
- Collecting information on MTB’s cost management and cost benefit analysis.

I have performed the above-mentioned tasks through my direct participation and thereby I have done the document analysis for the project.

❖ 3.3.2.2 Informal Interviews from Employees and Customers:

I have interviewed several employees while working with them and got to know various service features and their functions. It helped me to collect adequate data for my report as well as analyzing MTB's performance. Moreover, MTB's corporate branch always remains busy with a good number of customers. I have got a good chance of interviewing them face to face and analyzing their satisfactory level. I have discussed the whole analysis of the interview taken below:

- ➢ Overview of the challenges faced while delivering diversified product and service offerings.
- ➢ Analysis of common customer complaints and solutions.
- ➢ Overview of measures adopted to improve digital enhancement.
- ➢ Approaches taken to understand customer needs.
- ➢ Discussing with customers and gathering feedback from them on their level of satisfaction with the bank's service.

The above-mentioned data I have collected during interview of MTB employees and customers and done my further analysis of the report based on the collected data thereby.

3.3.3 Data Analysis:

The research project contains a mix of both quantitative and qualitative data. The project demonstrates quantitative analysis of MTB's profitability ratio, valuation ratio, liquidity ratio, consolidated cash position, solo cash position including foreign currency comparing 2023's performance to 2024. Furthermore, it displays estimation of MTB's composition of cash in hand (2024), MTB's balance with Bangladesh Bank and Agent Banks (2024), MTB's customer usage performance (2024), MTB's customer retention and success rate (2024), MTB Islamic Banking Products Profit Rate in January and February (2025), balance tier and profit rate of MTB Islamic SND Accounts (January and February 2025), tenure and profit rate of MTB Islamic Kotipati Scheme and MTB Islamic Lakhopati Scheme (January and February 2025).

3.3.3.1 Quantitative Data Analysis of MTB’s Performance:

Profitability ratio is a financial metric that is used to evaluate the ability of a company to engender profit margin from daily operations, profit from net income, return on assets and equity.

Operating Profit Margin: It is the measurement of the percentage of revenue remained after deducting operating expenses. It is a demonstration of a bank or a company on how efficiently it is handling its core operations keeping a higher margin.

Net Profit Margin: It is the percentage of revenue remained after excluding the expenses incorporating operating expenses, interest and taxes. It is an analysis of a company’s overall profitability generated from each unit of revenue.

Return on Assets (ROA): ROA indicates how efficiently a bank is utilizing its assets to generate profit. It basically demonstrates a bank’s ability to convert its assets into net income.

Return on Equity (ROE): ROE is a measurement of a bank’s profitability relative to its shareholder’s equity. It calculates how efficiently the bank is using shareholder’s money to generate profit.

The data used to calculate MTB’s profitability ratio is collected from MTB’s financial statements of 2023 and 2024. The project analyzes the profitability ratio of MTB comparing 2023’s performance to 2024 below:

Table: 1: MTB's Profitability Ratio Analysis of 2023 Vs 2024

Profitability Ratios	**2023**	**2024**
Operating Profit Margin	$\frac{7,912,855,736}{13,020,000,000} \times 100$ = 60.77%	$\frac{11,468,358,295}{13,698,400,000} \times 100$ = 83.72%
Net Profit Margin	$\frac{2,697,809,093}{13,020,000,000} \times 100$ = 20.72%	$\frac{3,110,563,897}{13,698,400,000} \times 100$ = 22.71%
Return on Assets (ROA)	$\frac{2,697,809,093}{\frac{364,086,466,038 + 454,310,974,182}{2}} \times 100$ = 0.66%	$\frac{3,110,563,897}{\frac{364,086,466,038 + 454,310,974,182}{2}} \times 100$ = 0.76%
Return on Equity (ROE)	$\frac{7,912,855,736}{364,086,466,038} \times 100$ = 2.17%	$\frac{11,468,359,295}{454,310,974,182} \times 100$ = 2.52%

(Mutual Trust Bank PLC 2023 and 2024, n.d.)

After observing the transition of MTB from 2023 to 2024, it is evident that the operating profit margin of MTB increased significantly in 2024, demonstrating MTB's efficiency in converting revenue into profit. Furthermore, MTB generated a substantial portion of revenue as net income in 2024, after deducting all expenses, taxes, and provisions. MTB experienced a modest improvement in ROA from 2023 to 2024, indicating that MTB is utilizing its assets efficiently to generate profits. Lastly, MTB's shareholders earned a slightly better return on their investment in 2024 compared to 2023. In overall, MTB's performance is good in 2024 in comparison with 2023, in terms of profitability ratio analysis.

MTB's Valuation Ratio Analysis of 2023 Vs 2024

Valuation ratio is an estimation of how a company's shares are valued whether in an appropriate manner or not. It provides a gist idea on whether shares are undervalued, overvalued or priced at fair value.

Basic EPS: It measures what portion of a company's net profit allocated to each outstanding share of common stock.

Cash Flow per Share: It calculates the amount of operating cash flow that generates from each outstanding share.

EBITDA per Share: It basically stands for earnings before interest, taxes, depreciation and amortization that calculates operating profitability of a bank on basis of per share.

The data used in the calculation below collected from MTB's financial statements of 2023 and 2024. The project analyzes MTB's valuation ratio performance of 2023 and 2024 below-

Table 2: MTB's Valuation Ratio Analysis 2023 Vs 2024

Valuation Ratios	2023	2024
Basic EPS	$\frac{\mathbf{2,697,809,093}}{\frac{\mathbf{983,119,746+983,119,746}}{\mathbf{2}}}$ = 2.74	$\frac{\mathbf{3,110,563,897}}{\frac{\mathbf{983,119,746+983,119,746}}{\mathbf{2}}}$ = 3.16
Cash Flow per Share	$\frac{\mathbf{15,326,676,290}}{\frac{\mathbf{983,119,746+983,119,746}}{\mathbf{2}}}$ = 15.59	$\frac{\mathbf{49,374,086,394}}{\frac{\mathbf{983,119,746+983,119,746}}{\mathbf{2}}}$ = 50.22
EBITDA (Earnings before interest, taxes, depreciation and amortization) per Share	$\frac{\mathbf{7,912,855,736}}{\frac{\mathbf{983,119,746+983,119,746}}{\mathbf{2}}}$ = 8.05	$\frac{\mathbf{11,468,359,295}}{\frac{\mathbf{983,119,746+983,119,746}}{\mathbf{2}}}$ = 11.67

(Mutual Trust Bank PLC 2023 and 2024, n.d.)

The above estimate provides a clear indication of MTB's improved profitability per share in 2024. Compared to 2023, MTB demonstrated more substantial net earnings per share in 2024, generating better returns for shareholders. Moreover, MTB took a significant leap in operating cash flow from 2023 to 2024, portraying stronger liquidity and cash generation ability. Last but not least, MTB's EBITDA per share has increased substantially in 2024, demonstrating higher operational efficiency and profitability. The performance of MTB in 2024 based on its valuation ratio is in overall good compared to 2023.

MTB's Liquidity Ratio Analysis of 2023 Vs 2024

A liquidity ratio shows the ability of a company to pay its short-term obligations. However, inventors and creditors always opt for companies having the liquidity ratio above 1.

Current Ratio: It demonstrates a company's ability to cover its short-term obligations utilizing its short-term assets.

Quick Ratio: It is considered as a strict measurement of liquidity also known as "Acid-Test Ratio". This ratio is considered as a complex and strict measurement because it excludes inventory that might take time to convert into cash.

The data used below for calculation collected from MTB's financial statements of 2023 and 2024. The table below is a demonstration of MTB's liquidity ratio performance comparing the year 2023 to 2024 -

Table: 3: MTB's Liquidity Ratio Analysis of 2023 Vs 2024

Liquidity Ratio	2023	2024
Current Ratio	$\frac{\mathbf{11,651,507,450}}{\mathbf{34,001,361,388}}$ = 0.34:1	$\frac{\mathbf{17,157,581,925}}{\mathbf{46,231,152,920}}$ = 0.37:1
Quick Ratio	$\frac{\mathbf{11,651,507,450-0}}{\mathbf{366,605,954,132}}$	$\frac{\mathbf{17,157,581,925-0}}{\mathbf{457,203,988,457}}$

	= 0.03:1	= 0.04:1

(Mutual Trust Bank PLC 2023 and 2024, n.d.)

MTB experienced a slight increase in its current ratio from 2023 to 2024, indicating a subtle improvement in MTB's ability to meet its short-term obligations using its current assets. In both years, the ratio was below the benchmark of 1, suggesting potential concern for creditors and investors. When considering the quick ratio excluding inventory, the increase in the ratio was again very slight from 2023 to 2024. It suggests that MTB has limited highly liquid assets to confront its immediate liabilities. Hence, MTB has a high liquidity risk if any emergency payment issues arise. Hence, MTB's liquidity condition during 2023 and 2024 is not satisfactory because both of the ratios are below to the benchmark.

Consolidated Cash Position of Mutual Trust Bank PLC 2023 Vs 2024

Consolidated cash position means at any specified date, the aggregate cash amount a company holds along with cash equivalents of holdings and its subsidiaries.

The data used below for calculation collected from MTB's financial statements of 2023 and 2024. The consolidated cash position of MTB has been estimated below for both the years 2023 and 2024 –

Table: 4: Consolidated Cash Position of Mutual Trust Bank PLC 2023 Vs 2024

Components	2023 (BDT)	2024 (BDT)	Change (BDT)	% Change
Cash in hand	4,231,546,069	5,674,551,769	(5,674,551,769 - 4,231,546,069)	$\frac{1,443,005,700}{4,231,546,069} \times 100$

			= +1,443,005,700	= +34.10%
Balance with the Bangladesh Bank and Agent Banks	12,642,852,594	17,519,174,685	(17,519,174,685-12,642,852,594) = +4,876,322,091	$\frac{4,876,322,091}{12,642,852,594} \times 100$ = +38.57%
Total Cash (Consolidated)	**16,874,398,664**	**23,193,726,454**	**(23,193,726,454-16,874,398,664) = +6,319,327,790**	$\mathbf{\frac{6,319,327,790}{16,874,398,664} \times 100}$ **= +37.45%**

(Mutual Trust Bank PLC 2023 and 2024, n.d.)

MTB’s total consolidated cash has increased by 37.45% from 2023 to 2024, representing improved liquidity and reserve management.

Solo Cash Position of Mutual Trust Bank PLC, including Foreign Currency 2023 Vs 2024

The solo cash position of a company shows the estimation of the amount of cash or invested fund a bank has on its books at a specific point of time.

The data used below for calculation collected from MTB’s financial statements of 2023 and 2024. The project analyzes the solo cash position of MTB including foreign currency below:

Table: 5: Solo Cash Position of Mutual Trust Bank PLC, including Foreign Currency 2023 Vs 2024

Components	2023 (BDT)	2024 (BDT)	Change (BDT)	% Change
Cash in hand (including foreign currency)	4,228,527,144	5,665,032,348	(5,665,032,348-4,228,527,144)= +1,436,505,204	$\frac{1,436,505,204}{4,228,527,144} \times 100$ = +33.97%
Balance with the Bangladesh Bank and Agent Banks (including foreign currency)	12,642,852,594	17,519,174,685	(17,519,174,685-12,642,852,594) = +4,876,322,091	$\frac{4,876,322,091}{12,642,852,594} \times 100$ = +38.57%
Total Cash (Solo) (including foreign currency)	**16,871,379,739**	**23,184,207,033**	**(23,184,207,033-16,871,379,739) = +6,312,827,294**	$\boldsymbol{\frac{6,312,827,294}{16,871,379,739} \times 100}$ **= +37.42%**

(Mutual Trust Bank PLC 2023 and 2024, n.d.)

MTB's solo cash position, including foreign currency, demonstrates similar growth trends to the consolidated one. Hence, it suggests that the majority of growth in consolidated cash figures was due to the primary banking operations.

MTB's Composition of Cash in Hand (2024)

Composition of cash in hand measures the aggregate amount of cash a company or business can access. It is considered very often as the assets that can be liquidated into cash within 90 days.

The data used below for calculation collected from MTB's financial statement of 2024. MTB's composition of cash in hand in 2024 is estimated below –

Table: 6: MTB's Composition of Cash in Hand (2024)

Components	Amount (BDT)	% of Total Cash in Hand
Local Currency	5,357,694,168	$\frac{5,357,694,168}{5,665,032,348} \times 100$ = 94.58%
Foreign Currency	219,249,211	$\frac{219,249,211}{5,665,032,348} \times 100$ = 3.87%
MTB Islamic Banking (MTB Ababil)	88,088,969	$\frac{88,088,969}{5,665,032,348} \times 100$ = 1.55%
Total Cash in Hand	**5,665,032,348**	**100%**

(Mutual Trust Bank PLC 2024, n.d.)

From the observation of MTB's composition of cash in hand in 2024, it demonstrates that MTB's local currency dominates heavily the cash in hand, whereas foreign currency holds a small proportion.

MTB's Balance with Bangladesh Bank and Agent Banks (2024)

A bank's balance with Bangladesh Bank is basically the estimation of the amount of money it has to maintain with Bangladesh Bank. Whereas, balance with agent banks usually estimates a bank's deposit maintained with another bank considered as agent bank.

The data used below for calculation collected from MTB's financial statement of 2024. MTB's 2024's balance with Bangladesh Bank and Agent Banks is calculated below:

Table: 7: MTB's Balance with Bangladesh Bank and Agent Banks (2024)

Components	Amount (BDT)	% of Total Balance
Local Currency (Bangladesh Bank)	14,084,921,503	$\frac{14{,}084{,}921{,}503}{17{,}519{,}174{,}685} \times 100$ = 80.40%
Foreign Currency (Bangladesh Bank)	1,979,436,112	$\frac{1{,}979{,}436{,}112}{17{,}519{,}174{,}685} \times 100$ = 11.30%
With Sonali Bank (Local Currency)	395,782,323	$\frac{395{,}782{,}323}{17{,}519{,}174{,}685} \times 100$ = 2.25%
MTB Islamic (with BB, local)	1,059,041,547	$\frac{1{,}059{,}041{,}547}{17{,}519{,}174{,}547} \times 100$ = 6.05%
Total Balance with BB and Agents	**17,519,174,685**	**100%**

(Mutual Trust Bank PLC 2024, n.d.)

The above estimation indicates that MTB's majority of its balance in 2024 was held in local currency with the Bangladesh Bank, while increasing central liquidity through foreign currency reserves.

MTB's Customer Usage Performance (based on 2024 data)

The project analyzes MTB's customer usage performance of its diverse account service offerings. Product wise, the estimated users and year-on-year growth rate of MTB's diverse account users is shown below -

Table: 8: MTB's Customer Usage Performance (based on 2024 data)

Account Type	Estimated Users	Year-on-Year Growth Rate
MTB Regular Savings Account	940	6%
MTB Current Account	490	4%
MTB Angona Account	390	9%
MTB Ababil Account	350	12%
MTB Extreme Savings Account	270	8%
MTB Inspire Account	220	15%
MTB Senior Account	190	6%

MTB Shanchay Account	160	10%

From the overview of MTB’s customer usage performance in 2024, MTB's regular savings account has a larger user base. However, the MTB Inspire Account shows the highest year-on-year growth rate.

Hamid, M. A. (2024)

MTB’s Customer Retention and Success Rate (based on 2024 data)

A bank is considered to be successful if it can retain customers and gain their trust to build a long-term relationship. The more the customer retention rate, the more reliable and successful the bank is. Thereby, the success rate of a bank is driven by customer retention rate. In 2024, MTB has shown an impressive performance on both customer retention and satisfaction rate. Based on account type, MTB’s customer retention rate, e-banking adoption rate and customer satisfaction rate are demonstrated below:

Table: 9: MTB’s Customer Retention and Success Rate (based on 2024 data)

Account Type	Retention Rate	e-Banking Adoption	Customer Satisfaction Rate
MTB Senior Account	91%	52%	92%
MTB Extreme Savings Account	90%	76%	87%
MTB Inspire Account	82%	89%	85%
MTB Angona	88%	81%	89%

Account			
MTB Ababil Account	89%	63%	86%
MTB Regular Savings Account	77%	58%	75%
MTB Current Account	75%	71%	72%
MTB Shanchay Account	84%	28%	68%

MTB Senior Accounts have a higher retention rate with moderate digital adoption. On the other hand, the MTB Inspire Account and the MTB Angona Account have a higher standout performance in e-banking adoption. However, the MTB Shanchay Account has stayed quite behind in digital adoption, but the retention rate is satisfactory.

Hamid, M. A. (2024)

MTB Islamic Banking Products Profit Rate in January and February (2025)

MTB has stepped on Islamic Banking with a wide range of Islamic banking products. The project analyzes all of the MTB's Islamic banking products' balance tier and profit rate in January and February 2025, however classifying them into four categories – MTB Islamic Savings Account, MTB Islamic SND Accounts, MTB Islamic Kotipati Scheme, MTB Islamic Lakhopati Scheme. Category wise the Islamic banking products' performance is analyzed below:

MTB Islamic Savings Account:

MTB Islamic Savings Account is composed of Shariah-compliant savings account under "MTB Yaqeen", MTB's Islamic banking platform. All of the MTB's Islamic savings accounts are operated under Mudarabah, Rab-ul-Maal (the capital provider, Islamic partnership model), and Mudarib (the fund manager). MTB's Islamic savings account's balance tier and profit rate by its product names are analyzed below for both of the months January and February 2025 –

Table 10: MTB Islamic Banking Products Profit Rate in January and February (2025)

Product Names	Balance Tier	Profit Rate
MTB Islamic Regular Savings Account	Below 15 Thousand	January - 0.69% February - 0.75%
	15 Thousand to less than 1 Lac	January - 0.55% February - 1.25%
	1 Lac to less than 10 Lac	January - 0.67% February - 1.50%
	10 Lac to less than 50 Lac	January - 0.98% February - 1.75%
	50 Lac and Above	January - 1.88% February - 2.00%
MTB Islamic Angona General Savings Account	Below 5 Lac	January - 1.88% February - 2.00%
	5 Lac to upto 20 Lac	January - 1.74% February - 2.25%

	Above 20 Lac	January - 1.56% February - 2.50%
MTB Islamic Angona Premium Savings Account	Any Amount	January - 1.56% February - 2.50%
MTB Islamic Privilege Savings Account	Up to 5 Lac	January - 0.98% February - 1.75%
	More than 5 Lac to up to 15 Lac	January - 1.88% February - 2.00%
	More than 15 Lac to up to 25 Lac	January - 1.88% February - 2.00%
	About 25 Lac	January - 1.74% February - 2.25%
MTB Islamic Junior Savings Account	Any Amount	January - 1.56% February - 2.50%
MTB Islamic Graduate Savings Account	Any Amount	January - 1.56% February - 2.50%
MTB Islamic Inspire Savings Account	Any Amount	January - 1.74% February - 2.25%
MTB Islamic Payroll E-Savers Account	Any Amount	January - 1.88% February - 2.00%
MTB Islamic Payroll Savers Account	Any Amount	January - 1.74% February - 2.25%
MTB Islamic Payroll Premium Account	Any Amount	January - 1.56% February - 2.50%

MTB Islamic Transactional Account	Any Amount	January - 1.56% February - 2.50%

Islamic Banking, M. (2025)

February shows the highest profit rate for several schemes, such as Angona Premium, Payroll Premium, Graduate, Junior, and Transactional accounts. MTB Islamic Regular Savings has the lowest range of return compared to Angona accounts in January, which has shown consistently higher return. But the MTB Islamic Regular Savings have shown progressive returns in February. Payroll and Youth-oriented accounts (Junior, Graduate) have kept a flat range of returns.

MTB Islamic SND Accounts: (January and February 2025)

MTB Islamic SND accounts are basically MTB Yaqeen Short Notice Deposit Accounts operated on basis of Mudarabah model. In the MTB Islamic SND Accounts, profits are shared on basis of pre-agreed income sharing ratio. For Bangladeshi, individuals have to be above 18 to open MTB Islamic SND Account. All of the MTB Islamic SND Accounts' balance tier and profit rate of January and February 2025, are analyzed below by its product name -

Table 11: MTB Islamic SND Accounts: (January and February 2025)

Product Name	Balance Tier	Profit Rate
MTB Islamic SND Account	Below 01 Crore	January - 0.55% February - 1.25%
	01 Crore to less than 25 Crore	January - 0.67% February - 1.50%

(Individual, Non-individual, and Banks)	25 Crore to less than 50 Crore	January - 0.98% February - 1.75%
	50 Crore to less than 100 Crore	January - 1.88% February - 2.00%
	100 Crore and Above	January - 1.56% February - 2.50%

Islamic Banking, M. (2025)

MTB has followed a "Tiered-Profit Sharing Structure" for its Islamic SND accounts, where a progressive increase in profit rate has been observed based upon deposit size. A higher amount of deposit shows higher returns. Across all of the tiers, February has shown comparatively strategic uplifting performance.

MTB Islamic Kotipati Scheme: (January and February 2025)

MTB Islamic Kotipati Scheme is structured as a monthly deposit savings scheme that offers attractive interest rates with flexible tenors as well as an easy service of automatic transferring of monthly installments through a MTB link account. MTB Islamic Kotipati Scheme's perfromance is analyzed below -

Table 12: MTB Islamic Kotipati Scheme: (January and February 2025)

Product Name	Tenure	Profit Rate
	4 Years	January - 5.54% February - 10.00%

MTB Islamic Kotipati Scheme (Individual)	5 Years	January - 5.54% February - 10.00%
	6 Years	January - 5.41% February - 9.75%
	8 Years	January - 5.54% February - 9.50%
	10 Years	January - 5.54% February - 9.25%

Islamic Banking, M. (2025)

In February, the profit rate has almost doubled, likely driven by any kind of changes in internal policies that kept MTB Islamic Kotipati Scheme competitive for the long term. MTB has emphasized its focus mostly on medium-term investments that show the highest returns in February.

MTB Islamic Lakhopati Scheme: (January and February 2025)

MTB Islamic Lakhopati Scheme is developed as a recurring monthly savings plan with an attractive offering of accumulating BDT 1 Lakh over the specified maturity. The performance of MTB Islamic Lakhopati Scheme for January and February 2025 is demonstrated below –

Table 13: MTB Islamic Lakhopati Scheme: (January and February 2025)

Product Name	Tenure	Profit Rate
MTB Islamic Lakhopati Scheme	1 Year	January - 5.54% February - 10.00%
	2 Years	January - 5.54% February - 9.50%
	3 Years	January - 5.54% February - 9.25%
	5 Years	January - 5.81% February - 9.00%
	8 Years	January - 5.14% February - 8.50%

Islamic Banking, M. (2025)

During February, MTB has witnessed a sharp increase in profit rate of MTB Islamic Lakhopati Scheme. It was driven by improved Islamic asset returns of MTB. However, the shortest (1 Year) tenure has shown the highest return while the longest tenure (8 Years) shown the lowest. In gist, February hike of MTB Islamic Lakhopati Scheme is driven by competitive benchmark set and better returns from investments in Islamic instruments.

3.3.3.2 Qualitative Data Analysis of MTB's Product and Service Offerings:

The qualitative data were collected through observations of daily banking operations in the corporate branch. Furthermore, informal interviews were conducted with customers regarding their service satisfaction. Under qualitative data, MTB's product and service features, as well as their delivery system, and benefits have been analyzed. A performance-based comparison of each product's features has also been evaluated and represented.

MTB Angona Account:

MTB Angona Account targets women only. This women-centric account provides attractive service features including lucrative interest rates, digital account opening support with amazing locker service. Key features of MTB Angona Account are discussed below:

Key Features:

- ➔ Designed for women customers, bringing them under an effective banking service.
- ➔ Interest rates are fixed based on a preference basis.
- ➔ ATM card, SMS banking, and internet banking services are free.
- ➔ Exclusive discounts are available for those women who want to take airport lounge service and privileged banking services.
- ➔ Free access to MTB Health Plus with insurance coverage.
- ➔ An account can be opened with a low initial deposit of BDT1000.
- ➔ 25% lucrative discount opportunity for locker service.
- ➔ Customized cheque book service.
- ➔ Visa Platinum Debit Card service.

MTB Angona Account has been an inspiration for women of all types to open their own account and encourage savings for future. It offers several campaigns for women and lucrative offers for female customers.

MTB Ababil Account:

MTB targets individuals who intend to open an Islamic banking account with MTB. It pursues the Shariah compliant savings framework starting with a minimum initial deposit of BDT500.

MTB Ababil Account's key features and all of the product types are discussed below -

Key Features:

- ➔ It offers Shariah-compliant products for deposit, such as "Al-Wadiah Current Account", "Mudarbah Savings Account", "Mudarabah Term Deposit (MTD)"/ "Mudarabah Fixed Deposit Receipt (M-FDR)", Mudarabah Special Saving Scheme (MSS), "Mudarabah Hajj Savings Scheme".
- ➔ It also offers financing products like "Murabaha (Cost-plus-profit sale)", "Musharakah (Partnership)"**,** "Mudarabah (Profit-sharing)", "Ijara (Leasing)", "Salam (Pre-payment for future delivery)", "Istisna (Manufacturing Contract)".
- ➔ Shariah-compliant trade finance solutions also incorporate "Murabaha (Import)" and "Musharakah (Export)".

MTB Islamic Banking Product Types by Name:

- **MTB Islamic Savings Account:**
    - MTB Islamic Regular Savings Account
    - MTB Islamic Angona General Savings Account
    - MTB Islamic Angona Premium Savings Account
    - MTB Islamic Privilege Savings Account
    - MTB Islamic Junior Savings Account
    - MTB Islamic Graduate Savings Account
    - MTB Islamic Inspire Savings Account
    - MTB Islamic Payroll E-Savers Account
    - MTB Islamic Payroll Savers Account
    - MTB Islamic Payroll Premium Account

- MTB Islamic Transactional Account

- **MTB Islamic SND Accounts (Individual, Non-Individual)**
- **MTB Islamic Kotipati Scheme (Individual)**
- **MTB Islamic Lakhopati Scheme**
- **MTB Islamic Retail Term Deposits:**

    - MTB Islamic Monthly & Quarterly Benefit Plan
    - MTB Islamic Term Deposit (Individual)
    - MTB Islamic Angona Term Deposit (For Women Only)

- **MTB Islamic Institutional Term Deposits**
- **MTB Islamic Savings Schemes:**

    - MTB Islamic Brick by Brick Scheme, MTB Islamic Flexible Scheme (Individual), MTB Islamic Angona Scheme
    - MTB Islamic Hajj Scheme, MTB Islamic Teacher Scheme
    - MTB Islamic Umrah Scheme
    - MTB Islamic Student Scheme
    - MTB Islamic Junior Scheme
    - MTB Islamic Senior Scheme
    - MTB Islamic Micro Deposit Scheme (tap)
    - MTB Islamic Farmer Scheme
    - MTB Islamic Marriage Deposit Scheme
    - MTB Islamic Mahr Deposit Scheme
    - MTB Islamic SME Savings Scheme

MTB Ababil Account has been introduced under MTB Yaqeen, the MTB Islamic Banking platform and it is immensely doing well while handling a good deal of customers.

MTB Extreme Savings Account:

MTB Extreme Savings Account targets individuals who seek higher returns from their savings accounts. It is a unique saving product introduced by MTB with attractive health insurance features. Some key features of MTB Extreme Savings Account are discussed below -

Key Features:

- ➔ Offering higher interest rates than regular savings accounts.
- ➔ Calculating interest on the daily balance and the monthly credit.
- ➔ Offering an unlimited cash withdrawal opportunity.
- ➔ Ensuring free ATM cards and digital banking service.
- ➔ Minimum BDT5000 is required to open the account.
- ➔ To be eligible for health insurance facility, individuals need to maintain minimum balance of BDT50,000.

MTB's Extreme Savings has been an amazing service offering for customers opting for higher interest rate especially during Covid-19 when the product offered Covid coverage upto BDT 5,00,000.

MTB Inspire Account:

MTB Inspire Account is introduced for students and young adults aged between 18-25 years. It is a product with enhanced convenience and good amount of profit for young individuals. Key features of MTB Inspire Account are discussed below -

Key Features:

- ➔ Targeting students from 18 to 25 years old.
- ➔ Requiring a very low or zero minimum balance.
- ➔ Offering a free debit card and internet banking service.
- ➔ Offering attractive discount offers in education-related services.

- ➔ Ensuring free monthly e-statement service.

MTB Inspire Account is successfully dealing with young adults and students while encouraging them for future savings with attractive service offerings.

MTB Regular Savings Account:

MTB Regular Savings Account targets the general public. It is also considered as a part of conventional banking service. Key features of MTB Regular Savings Account are discussed below -

Key Features:

- ➔ A standard savings account service designed for the general public with competitive interest rates.
- ➔ Interest is credited on a semi-annual basis.
- ➔ Flexible internet, ATM, SMS, and mobile banking service.
- ➔ A very minimum initial deposit is required (BDT1000).
- ➔ It can be used as both a personal savings account and a salary account.

MTB Regular Savings Account is an attractive service offering for general public encouraging personal savings and also savings for salaried individuals to deposit their salary amount.

MTB Senior Account:

MTB Senior Account targets senior citizens aged 60+. It intends to bring senior citizens under banking service. Key features of MTB Senior Account are discussed below -

Key Features:

- ➔ A special savings account was introduced to cater to senior citizens.
- ➔ Higher interest rates are offered in comparison with a regular savings account.
- ➔ A priority-based service is ensured for senior citizens in every branch.
- ➔ Attractive discounts are offered on healthcare, diagnosis, and medication.
- ➔ A free ATM, SMS, and digital banking service is offered.

MTB Senior Account is doing a great job while providing attractive service to senior citizens and assisting them to save money even after retirement to meet up their daily expenditures.

MTB Shanchay Account:

MTB Shanchay Account is designed for lower to middle-income individuals. It offers minimal entry barriers to customers. Key features for MTB Shanchay Account are given below -

Key Features:

- ➔ It encourages small-scale savings.
- ➔ It does not require any monthly maintenance fee.
- ➔ The initial deposit is very low.
- ➔ It is a passbook-based account.
- ➔ Interest is provided every quarter.
- ➔ It requires an opening balance of BDT 10.
- ➔ It provides a complete digital account service.

MTB Shanchay Account is one of the most famous services of MTB with a good deal of customers. The minimal entry barrier has made it more convenient service offering for MTB customers.

MTB Current Account:

MTB Current Account is designed for business professionals who intend to open business accounts with MTB. It is also considered as "Non-individual Account" of MTB. Key features of MTB Current Account are discussed below -

Key Features:

- ➔ No interest is charged on the deposit.
- ➔ It offers an unlimited withdrawal service.
- ➔ A free cheque book and online banking service are offered.
- ➔ The account operates high-volume financial operations.
- ➔ Considered an ideal service for day-to-day basis transactions.

MTB Current Account is an attractive service offering for medium to large businesses like Reckitt Benckiser Bangladesh Limited, POP Distribution Limited, IDLC Finance PLC etc. Ii is undoubtedly doing well and providing outstanding and upgraded service features to business professionals.

MTB RFCD Account:

MTB RFCD Account is the "Resident Foreign Currency Deposit" account allowing residents to hold foreign currency deposits. It is helpful for those customers especially who frequently travel abroad. Key features for MTB RFCD Account are discussed below –

Key Features:

- Minimum opening balance is USD1000.
- Funds can be transferred freely to abroad.
- Funds are easily exchangeable to BDT.

- Lucrative international prepaid card service.
- No joint accounts are allowed.

MTB RFCD account has been a fascinating service for the customers frequently travel abroad. Customers are satisfied with MTB's RFCD service and the range of customer is also increasing for MTB's RFCD account.

The New Digital Banking Platform of MTB (MTB Neo):

Mutual Trust Bank has introduced a new and innovative digital banking platform, "MTB Neo" on 17th August 2022. It has rebranded MTB's previous digital offerings with a unified and user-friendly version. It was a strategic move for MTB to experience a rich-feature-based digital banking sector.

What is MTB Neo?

MTB Neo is introduced as a branded digital platform of Mutual Trust Bank PLC to serve the modern demand for digital accessibility, convenience, and secure banking. The array of digital touchpoints served by MTB Neo:

- **MTB eBank (Internet Banking):** It is a web platform under MTB Neo accessible through a computer browser.
- **MTB Mobile App (Mobile Banking):** The app is available in both Android and IOS with easy and convenient access.
- **Other Digital Services:** As a part of MTB Neo digital service, it incorporates digital solutions to corporate clients and offers international payment gateways for customers who require foreign transactions.

MTB Neo's Key Features and Offerings:

The near-branch experience MTB Neo ensures via a digital platform -

- **Account Management:**
  - ➔ Viewing account balances through a mobile or computer browser.
  - ➔ Overviewing statements digitally.
  - ➔ Checking transaction history through the digital archive.

- **Fund Transfer:**

  - ➔ “MTB to MTB transfers” between MTB accounts is a very convenient and flexible service.
  - ➔ Interbank transfers such as BEFTN (Bangladesh Electronic Fund Transfer Network), the most time-friendly service offered by MTB Neo for transferring funds to other bank accounts, typically clear the transactions within a business day. Moreover, the RTGS (Real Time Gross Settlement) service is provided under MTB Neo to ensure the immediate transfer of high-value transactions.
  - ➔ NPSB (National Payment Switch Bangladesh) service is also offered by MTB Neo for smaller value transfers.
  - ➔ Mobile financial services are also available under MTB Neo to transfer funds to MFS wallets like bKash, Nagad, Rocket, etc.

- **Bill Payments:**

  - ➔ Internet bill
  - ➔ Utility bill (electricity, water, gas)
  - ➔ Credit card bill
  - ➔ Insurance premium
  - ➔ Tuition fees

- **Credit Card Services:**

- ➔ Viewing the e-statement of the credit card.
- ➔ Paying bills for a credit card.

- ❖ **Service Request:**

- ➔ Placing the cheque book and the stop cheque request digitally.
- ➔ Requesting statements digitally.
- ➔ Registering/deregistering for SMS banking.
- ➔ Blocking ATM/Debit card via mobile app.

MTB Neo's Digital Value Proposition:

MTB Neo is the one and only primary channel of Mutual Trust Bank PLC through which it enhances its digital platform and services, allowing innovative features for customers as well as crafting strategic value for the bank's successful future. The usability and adoption rate of MTB Neo is increasing significantly.

MTB Neo's Potential Operational Efficiency:

The increasing rate of use of MTB Neo can decrease the bank's burden of manual data processing since MTB Neo is successfully driving customers to the digital platform. Many of the MTB customers are now paying electricity and gas bills through MTB Neo. Many of them place requests for several services through MTB Neo. The success rate is getting high, and it can potentially reduce the bank's manual workload and reliance on manual data keeping.

Customer Experience with MTB Neo:

MTB Neo is a user-friendly digital platform beyond any kind of complexity inside, and a convenient digital banking platform for people of all ages. After reviewing different customer segments, the remarks given on MTB Neo are mixed. Firstly, a briefing on positive remarks, customers praised the user-friendliness of MTB Neo, especially for senior citizens. The features are also easy to understand. Now coming onto the negative remarks, some customers complained about disturbance in using while the inconsistency of the network. In Bangladesh, especially in Dhaka city, getting an uninterrupted and constant network is not easy. For this reason, very often customers face problems in making payments through MTB Neo.

MTB Neo's Competition with BRAC Astha App:

In the current digital space of the banking sector, MTB Neo has a strong competitor, BRAC Bank's Astha App. BRAC Bank's Astha App is now well well-recognized and widely used digital platform in Bangladesh's banking sector. In such a competitive area where already BRAC Banks' Astha App holds a strong position, MTB Neo has just started its journey in 2022 and is still evolving. Undoubtedly, the BRAC Astha App has an early mover advantage in this digital platform, but in terms of a modern user interface with a customer-friendly real-time fund transfer service, MTB Neo is undoubtedly doing well. The services MTB Neo is offering security and smooth navigation, it is improving its position, keeping the same pace with the BRAC Astha App.

Regulatory Compliance of Mutual Trust Bank PLC:

- ❖ **Regulatory Framework of MTB:** Bangladesh Bank supervises MTB through its "Department of Banking Inspection - 04" (DBI-4). Under this framework, comprehensive inspections of MTB such as fraud detection, capital adequacy, liquidity, credit concentration etc. are analyzed. This framework also incorporates supervision on MTB's credit risk and internal compliance risk.

- ❖ **Anti-Money Laundering and Anti-Terror Financing:** Under the "Money Laundering Prevention Act, 2012", MTB is authorized to fill out mandatory KYC (Know Your Customer Form) and prepare transaction profile for each customer with authentic detailing about customer's source of fund. Cash transaction reports are required to made on daily basis. Furthermore, Bangladesh Bank has instructed MTB to arrange mandatory regular trainings and conferences. For instance, in 2022, MTB organized an AML conference hosting approximately 200 officers involving Bangladesh Financial Intelligence Unit.

- **Corporate Governance and Audit Oversight:** MTB aligns with "Banking Company Act - 1991" (amended in 2018) meticulously. MTB has its own risk management committee to analyze and overview the credit risks, internal compliance and reporting etc. MTB annually publishes its compliance status to ensure proper regulatory governance.

3.4 Finding and Analysis:

This section presents the empirical findings of my research, integrating observations with insights derived from document reviews and linking them to accounting and finance principles. It will highlight the information gained while managing corporate client's accounts as well as dealing with detailed documentation required to open the accounts. This part mirrors the data collected through my direct observation while participating the daily tasks at MTB's corporate branch. Key findings and analysis of the project are discussed below -

3.4.1 Customer Need Analysis and Corporate Client's Alignment with MTB's Service Offerings:

- **3.4.1.1 Account Management of Corporate Clients:**
  - Detailed observation of the MTB current account forms and payment solutions provided to corporate clients with efficient cash management.
  - Assessment of MTB's digital platforms like MTB Neo, eBank, etc.
  - Analysis of digital integration services for corporate payments.

- #### 3.4.1.2 Credit and Loan Service Analysis:

  - Analysis of corporate loan applications from the corporate branch's perspective.
  - Evaluation of loan statements and CIB forms.
  - Customer feedback on credit service.

3.4.2 Perceived Value Assessment and Identification of Satisfaction Gaps:

- #### 3.4.2.1 Corporate and Retail Account Opening Experience:

  - Analyzing account opening procedures for MTB Current Account, FDR, DPS, MTB Angona, and MTB Ababil with proper detailing.
  - Observing the documentation required for account opening, such as KYC forms, segmentation forms, transaction profile form, etc.
  - Taking informal interviews of customers on the account opening experience with MTB.

- #### 3.4.2.2 Transaction Processing:

  - Analysis of daily cheques and debit card processing.
  - Analysis of customer experience in resolving any issue regarding transaction processing.
  - Assessing the clarity level of account opening forms for the customers.

- #### 3.4.2.3 Perception of Digital Service:

- Observing the utilization of digital banking service channels.
- Employee and customer feedback on the user-friendliness of banking software and digital platforms.

3.4.3 Competitive Landscape of MTB with Differentiation:

- ❖ **3.4.3.1 MTB's Service Delivery:**

  - A gist overview of MTB's account opening speed and efficiency in using the digital platform.
  - Analysis of MTB's superiority in service delivery that differentiates it from other banks.
  - Overview of MTB's unique product features to enhance its innovation level.

- ❖ **3.4.3.2 MTB's Value Proposition for Different Customer Segments:**

  - A thorough analysis of MTB's different types of products, like MTB Ababil (Islamic Banking), MTB Angona (Women Banking), MTB Extreme Saving Account (for individuals seeking high interest returns on savings), MTB Inspire Account (Students and Young Adults aged between 18-25), MTB Regular Savings Account (General Public), MTB Senior Account (for Senior Citizens aged 60+), MTB Shanchay Account (Lower to Middle Income Individuals), MTB Current Account (for Business purposes).
  - An evaluation of the performance of each product and service, and whether they are adequately marketed or not.

Summary of the Findings and Analysis:

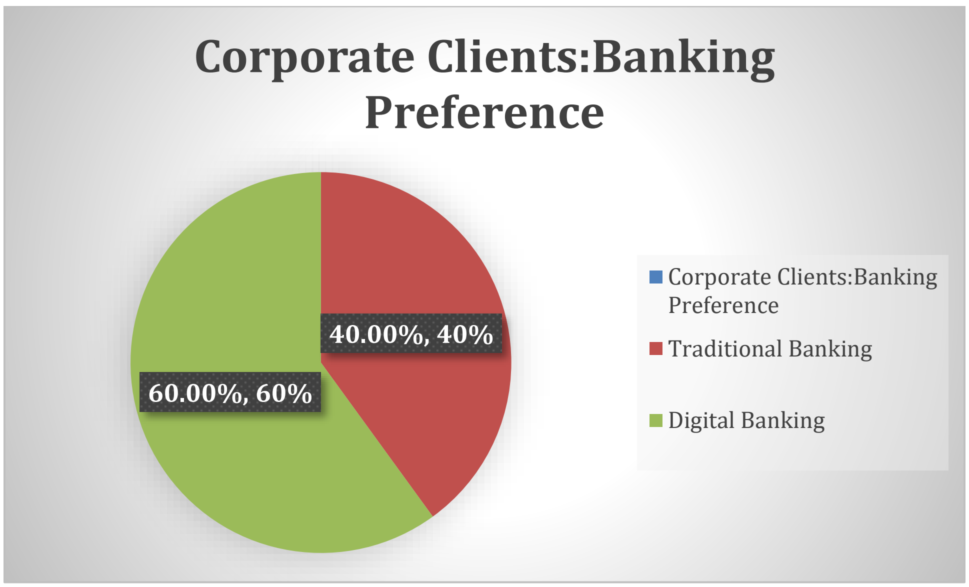

Figure 4: Corporate Clients: Banking Preference

From the finding and analysis part, the project drops down a summary that MTB ensures a comprehensive current account service with meticulous cash management and efficient support to corporate clients. Furthermore, MTB's corporate clients get benefitted from its digital platforms like MTB Neo, eBank, and other digital integration tools used for payments. From the above pie chart, it can explicitly be stated that MTB has more digital banking corporate clients than traditional banking.

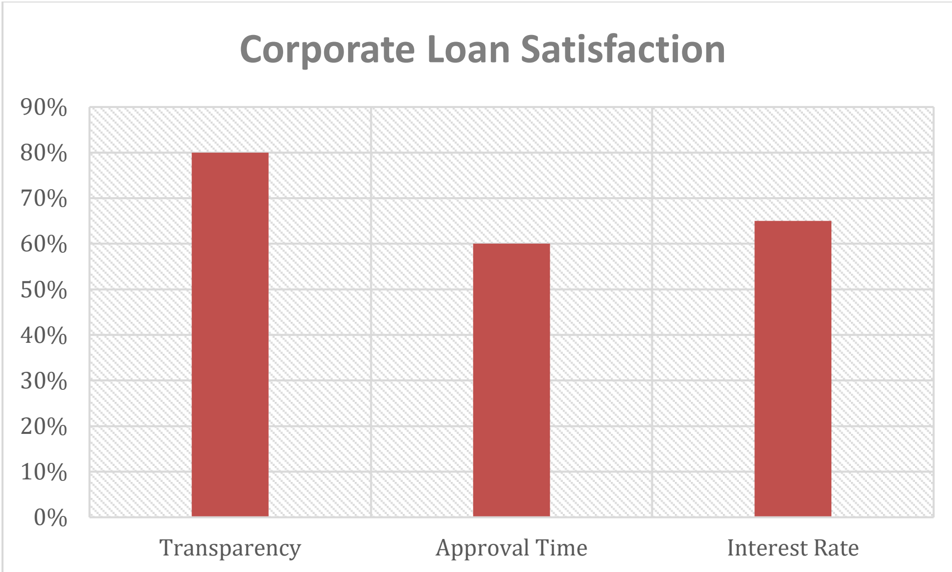

Figure 5: MTB's Corporate Loan Satisfaction

In addition, MTB maintains a systematic procedure while dealing with corporate loan applications through CIB (Credit Information Bureau) forms and loan statements. However, the above bar chart demonstrates that MTB's corporate clients are highly satisfied with its transparency though a minor dissatisfaction remains regarding approval time and interest rate.

Furthermore, MTB a has sequential documentation process that is quite appreciating for bank's convenience itself and also for its user friendliness.

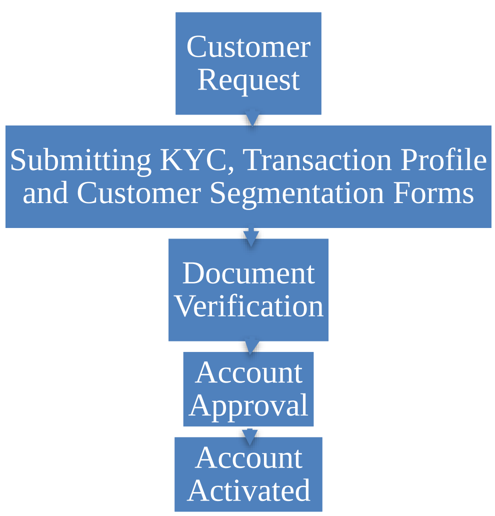

Figure 6: Account Opening Flow

3.5 Conclusion:

The project is a meticulous analysis of MTB's product and service focus drawn upon my internship experience in Mutual Trust Bank's corporate branch. The findings portray an array of services and products offered by MTB and the significant potential of these in future value propositions and enhancement. The project mirrors all of the service features of MTB products and their performance. At the same time, the project analyzes the customer satisfaction rate against each service offering. It is explicitly demonstrated that MTB is effectively creating value for customers. It is not only building stronger long-term relationship with customers but also strengthening its own financial position to reach at the peak of Bangladesh's banking industry. To conclude, MTB is successfully handling customer demands in line with their expectations and creating superior value with its outstanding performance.

3.6 Recommendations:

- While MTB is growing in digital platforms with high potential but many basic things need to be digitalized soon, like account opening procedures. Despite filling out account opening forms manually, the whole thing should be done digitally, which will ensure less human error and save much more time for both employees and customers.

- MTB should reduce reliance on keeping records in manual registers and instead keep data only in Excel. It will not only save time but also make tasks easier.

- During my internship tenure, I have noticed MTB has many personal loan customers. Its loan giving strategy should be diversified through automobile loans, home loans etc. Consequently, it will reduce MTB's loan default risk.

- MTB’s ATM booths have a severe privacy issue. They do not have any privacy paper covered on the booth doors. Many customers have complained about it that everything can be seen outside of the booth. MTB should look on this matter as soon as possible.

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