

# **Internship Report**

## **An Analysis of the General Banking Activities of Mercantile Bank**

Submitted by,

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Submitted to,

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## Letter of Transmittal

July 30, 2018

Mr. Feihan Ahsan

Lecturer

BRAC University

Mohakhali, Dhaka.

Subject: - Submission of Internship Report on “An analysis of the General Banking Activities of Mercantile Bank”.

Dear Sir,

With due respect, I would like to submit my Internship Report on “An Analysis of the General Banking Activities of Mercantile Bank Bangladesh Limited” as a part of my BBA program. The report covers almost all the activities of General Banking activities in this Bank. I tried my level best to make the report meaningful and informative. Without the proper guideline of yours, it is not possible for me to complete the report easily.

I hope you will accept my report by considering the limitations and mistakes of my study. I also believe that you will find something interesting and obviously informative in this report.

Sincerely Yours,

.....

Al Amin Akand

ID: 14104005

Subject: Human Resource Management (Major)

BRAC Business School

BRAC University, Dhaka.

## Acknowledgement

First of all, I want to give my thanks to almighty Allah for giving me the chance to do my internship at a top level organization in our country. Without the help of almighty it is not possible for me to submit the report on time.

I am also very much thankful to my varsity supervisor Mr. Feihan Ahsan sir. He helped me a lot to complete this report properly.

I would like to thanks the course coordinator Dr. Saleh Matin sir SPO & Faculty Member of IBTRA. I am also grateful to Mahbubur Rahman Sir, Principal Officer at Mercantile Bank Limited, Motijheel Branch, Dhaka. They helped me a lot and answered my all question related to the MBL. Without their helpful behavior it is not possible for me to know many things about MBL.

I wish to heartily thank all other employees of MBL those were friendly, dynamic and helped me seriously and given me their valuable time. They were always very polite to answer my questions and gave their time in busy hour too. At last, my sincere apology goes to the reader's for any kind of unwanted mistakes.

Al Amin Akand

ID: 14104005

Human Resource Management (Major)

BRAC Business School

BRAC University.

## **Executive Summary**

- Establishing at June 2, 1999 and now this is one of the leading banks in Bangladesh by completing their mission, vision and objectives
- I was assigned to complete my internship program at Mercantile Bank, Motijheel Branch.
- After joining MBL, my main task was in general banking. But I took part in almost every section of MBL.
- Three main departments of MBL, Motijheel Branch
  - I. General Banking Department
  - II. Credit Department
  - III. Foreign Exchange Department
- One of my best experiences was handling different types of customers. I was also learned proper time management and also work place environment.
- From my internship program I learned how to kill the fear to go ahead in life. I was sharing my own point of view with my colleagues which help me to increase my self-confidence.
- In my recommendation part I was telling them about their recovery for example their advertisement issues as well as the form fill-up process is very long which is very annoying for the customers.
- I was learned many functions of MBL through my internship program but I was mainly focusing on their general banking activities which is my internship topic

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**PART - 1**

**Organization Profile**

Mercantile Bank Limited emerged as a new commercial bank to provide extraordinary banking services and also contribute to the economic development of Bangladesh. The bank had started its journey on May 20, 1999 and started its commercial banking operation on June 2, 1999. It was founded by Mr. Md. Abdul Jalil who was the Chairman of Mercantile Bank. Now this bank has 119 branches and around 2000 employees.

Mercantile bank provides many services to its customers as well as its corporate clients. The board of directors consists of eminent personalities.

### **Registered & Head Office: -**

61, Dilkusha commercial area, Dhaka- 1000, Bangladesh

Telephone: - 88-02-9559333 & 88-02-9553892

Fax: - 88-02-9561213

Swift: - MBLBDDH

Email: - [it@mblbd.com](mailto:it@mblbd.com)

Website: - [www.mblbd.com](http://www.mblbd.com)

### MBL at a Glance

Name	Mercantile Bank Limited
Status	Public Limited Company
Establishing Date	June 2, 1999
Head office	61, Dilkusha commercial area Dhaka- 1000, Bangladesh
Number of Branches	119
Number of ATM Booths	149

## **Rules of ethical conduct: -**

1. Transparency is statements
2. Ensuring fairness
3. Proper time management
4. Ensuring justice
5. Respect the senior workers
6. Adopting the truth
7. Self-motivated rules and regulation

## **Core values: -**

1. Believe in almighty Allah
2. Employees should be honest
3. Equity and justice
4. Proper transparency and accountability
5. Environmental consciousness
6. Welfare banking
7. Maintaining proper time management



## **Products and Services: -**

Like other banks Mercantile Bank has its own products and services. They are describing below.

### **Current deposit account: -**

1. Individual account
2. Two or more person jointly
3. Sole proprietorship concerns
4. Partnership firms
5. Public limited companies
6. Private limited companies
7. Banks
8. Corporation
9. Societies or clubs
10. Others

### **Savings deposit account: -**

1. Individual (single)
2. Two or more individuals (not partners)
3. Minor jointly with legal guardian
4. Societies or clubs

## **Fixed deposit account: -**

1. Individual
2. Two or more person (joint)
3. Partnership concern
4. Limited companies (private ltd. and public ltd.)
5. Sole proprietorship concern
6. Society or clubs or association

There are other services.

1. Monthly savings scheme (MSS)
2. Special noticed deposit account
3. Double benefit deposit scheme
4. School banking
  - I. Education planning deposit scheme
  - II. Super benefit deposit scheme
5. Quarterly benefit deposit scheme
6. 1.5 times benefit deposit scheme
7. Foreign exchange business service
  - I. Locker service
  - II. ATM service

These are all the products and services that Mercantile Bank is offering to its customers.

# Bank Management Hierarchy



hierarchystructure.com

## Organizational Structure of Mercantile Bank



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[LOGO of Mercantile Bank](#)

**Part - 2**  
**INTRODUCTION**

In recent years of banking industry in Bangladesh has been experiencing a huge growth. The importance of the sector revealed through its contribution in the economic growth of Bangladesh. Bank industry is moving towards rapid changes due to latest technology facilities as well as its customers. Now a huge number of customers are using credit card as well as debit card which are a common concept in Bangladesh and its market is growing very fast in Bangladesh. Before June 2010, debit card and credit card are not familiar with the customers but now a huge number of people do their transaction by debit card and credit card.

The most important thing for dealing purpose at bank is money which flows funds from surplus unit to deficit. This sector is moving new dimensions as it is changing fast. In the recent era of globalization the competitions in banking sector is rapidly increasing. All the banks are now customer oriented. Bangladesh Bank which is the central bank of our country always keeps monitoring banks performances. For any bank the important parts are: -

1. Its Shareholders
2. The Depositors
3. Bangladesh Bank
4. The future growth
5. The profit trend
6. Their royal customers

## **Vision, Mission and Objective**

### **Vision: -**

They want to make the finest corporate citizen

### **Mission: -**

Will become most caring, focused for equitable growth based on diversified deployment of resources and nevertheless would remain healthy and profitable bank.

### **Objectives:-**

1. Increase shareholders value
2. To achieve economic value addition
3. To become the market head in product innovation
4. To be one of the top three financial institution in Bangladesh in terms of efficiency

### **Financial objective: -**

- To achieve 20% return on shareholders' equity or more on average.

### **For the shareholders: -**

- Maximizing wealth of the bank

### **For the community: -**

- Taking the environment pollution free and social risks as well as reward in the account.

## **Rational of the Study: -**

To complete my internship program it has chosen Mercantile Bank LTD, Motijheel Branch, Dhaka. I was working with the AML department as well as credit department and also with the foreign exchange department for completing my internship program. I was working two months at general banking sector for that reason my supervisor Feihan Ahsan Sir gave me a topic for my internship report which is “An Analysis of the General Banking Activities of Mercantile Bank”.

## **Objective: -**

This report has two types of objectives. They are,

1. Primary Objective
2. Secondary Objective

## **Primary objective: -**

The primary objective of this report is to be known with the working environment as well as to become familiar with the work place behavior and also to know about the importance of time management as well as try to use the theoretical knowledge that learnt from the university.

## **Secondary objective: -**

1. To experiment the General banking activities of Mercantile Bank
2. To perceive the overall activities of Mercantile Bank
3. Learn about different types of banking problems as well as their possible solution
4. How to handle the problems and change the strategy according to the situation
5. Adhering the theoretical study at the real life workplace



# Literature review

I wrote my internship report based on various topics which I had learnt from my university as well as by using various sources like books and different reports in online.

I read many magazines of Mercantile Bank as well as read many articles of Mercantile bank so that I can give much information in my report as much as possible.

I also read many reports like “General Banking Activities of Mercantile Bank” written by Arifur Rahman Khan on 8<sup>th</sup> April, 2018. I read two more reports on general banking as well as I read 1 report on foreign trade operation which are helping me a lot to know about the Mercantile Bank.

Beside of that I went through many more articles; journals as well as I asked many questions to the employees there. I was asking about their working environment, satisfaction level, their desire so that I can include as much information as I can.

According to JP Nicols, “If bank cannot truly be customer intimate, they are doomed just to dumbbed commodities, acting behind the scenes, like utilities”.

According to Breat King, “Banking has to work when and where you need it. The best advice and the best service in financial services happen in real time and is based on customer behavior, using principles of Big Data, mobility and gamification”.

According to Arvind Sankaran, “We are witnessing the creative destruction on financial services rearranging it around the consumer. Who does this in the most relavant, existing way using data and digital, wins.”

According to Ron Shevlin, “The challenge for banks is not becoming digital, it is proving value that perceived in the line with the cost- or better yet, proving value that consumers are comfortable playing for”.

According to Bradley Leimer, “If banks cannot offer something more valuable than Amazon prime, then we are probably in the wrong business”.

According to Vik Atal, “If you compare bank too companies like Google it’s evident that banks are still at the nascent stage of the digital and data revolution”.

According to Jim Marous, “Financial institutions must be able to deliver an easy to negative, a seamless digital platform that goes far beyond a miniaturized online banking offering”.

According to Thomas Jefferson, “I believe that banking institutions are more dangerous to our liberties than standing armies”.

All those reports of “General Banking Activities of Mercantile Bank” as well as these quotes help me a lot and also it gives me a lot of information to make my report as good as possible.

## **Activities Undertaken**

I had done my internship program at Mercantile Bank, Motijheel Branch, Dhaka. Total time of my internship program was for three months. First 2 months I was working under Anti Money Laundering (AML) department which is under the general banking sector. There I had been worked with 7 people. From these people I had been learnt about the banking systems as well as financial systems.

In total I had been worked with 32 employees. Everyone is very helpful and always keep support me and motivate me to complete my work.

### **Description of the job: -**

In the Motijheel branch I was working with 7 people for two months and I had work with each of them. They gave me different task and taught me how to do that. For that reason I had learnt so many activities from them. Though I did not know anything about the works but my colleagues are very helpful as well as they motivate me to do works.

### **Specific responsibilities of the job: -**

Before I joining I had asked to in which department I want to do the work then according to my preference they told me to work with AML department. First 7 days I was just completing the pending files after that they had given me many tasks like account opening, check transfer, pay order issue, collection of credit card bills, how to write pay order, how to update forms, how to write pay order in the pay order issue book as well as how to withdraw the money, how to encashment DPS or MSS, how to give foreign remittance, how to issuing cheque, how to give cheque to the customers, how to write voucher as many more things. In my 3 months experience I had learnt so many works within this 3 months.

## **Functions of General Banking: -**

1. Reception and information section
2. Accounts opening section
3. Cash sections
4. Clearing section
5. Remittance section
6. Issue and payment of DPS or MSS
7. Issue and payment of pay order
8. Transfer with cheque
9. Transfer without cheque
10. Maintenance of internal accounts
11. Opening new accounts and giving account statement
12. Issue and payment of Fixed Deposit Rate (FDR) or its interest

I was working with reception and information section, clearing section, remittance section, issue and payment of DPS, FDR or its interest and pay order, transfer with and without cheque and opening new account and giving statement to the customers.

### **Reception and information section: -**

In this section the clients mainly wanted to know about their deposits basically their account. Sometimes I got some opportunity to serve the customers by giving them information. Sometimes I helped them via phone call. The senior officers helped me to do my work perfectly.

### **Account opening section: -**

In this section I have to ask the senior officer that should I open his or her account or not. If they say yes then I opened their account but if they say no after that I do not have any rights to open their account. Most of the time I am allowed to open the savings account or FDR account but I am not allowed to open current accounts. When I opened any account I have to ask for many papers like photocopy of national identity card or passport copy as well as photos etc.

### **Clearing section: -**

In this section I am only working for 7 days. There are 2 senior officers who did all the works. I am just allowed to collect the cheques. So I have a little bit knowledge about clearing section. In clearing sections there are two parts. One is high value cheque which costs 60 taka and low value cheques which costs 30 taka.

### **Remittance section: -**

In this section I was giving voucher to the customers and they fulfill the vouchers and collect the photocopy of their national identity card as well as their original identity card so that I can verify his or her card by government software. After that I gave it to other officer for posting it on his

computer. After that I gave it to the cash department after that the customer can collect his or her money.

### **Issue and payment of FDR and its interest: -**

Fixed deposit rate means by which the customer can deposit the money for 3 months or 6 months or 1 year with the interest rate of 8% for 3 months, 8.5% for six months and 9% for 1 year. When a customer comes to open a FDR firstly I have to give them a form then I have to collect the papers which are bank's requirement. After that we are verify their information and after that we input the information and after that we are giving them an account number and a customer ID by which we can recognize them very easily. Some customers are also come to take the interest rate only then we were writing a voucher by which he or she can collect the money from bank.

### **Issue and payment of pay order: -**

This section is a very sensitive as well as very easy to do. Some are issuing their pay order by cheque some are issuing by cash. In each section we have to take the money for issuing the pay order. For example if the pay order is above 1 lac taka the bank should charge him or her 115 taka where 100 taka is banks charge and 15 taka is government tax. After that we are issuing it on a register. The payment process is very easy. We have to mark circle on the amount and then give sign to the initial. That is a very easy way as well as its very sensitive because if we make any mistakes then we have to issue a new pay order. The main thing of any pay order is that we have to write the exact amount on the top of the pay order with a red pen.



### **Transfer with cheque and without cheque: -**

This section is also very easy and very sensitive. Here a lot of people were come to transfer money from one account to another internal account. Here if we make any mistakes we have to pay the money from our own. Here we have to verify the signature after that we have to give call to the payee person that he or she give the cheque or not after that we wave to give posted sill, confirmed by account holder sill, crossing sill after that another senior officer will authorize the cheque or application by computer after that it will be successfully posted.

### **Giving statements to the customers: -**

Giving statement is a very easy work to do. For that I have to search for customers account number after that from which month to which month he or she needs the statement. After that I have to just print the statement and giving round sill and signature.

Beside that I was always try to be busy with a lot of stuffs because like I am handling a lot of school banking accounts as well as I can a lot of works. For example,

1. issue check
2. Verify customers NID card
3. Giving cheques to the customers
4. Giving debit card along with its pin number

These are the works that I had learnt from the officers as well as the senior officers. They are very helpful towards me and always motivated me to do the work very easily.

## **Constraints**

From the very first day of my internship career at MBL I always tried my level best to know about their working process and always tried to observe everything to the point. What I have noticed that their deposit collection is not good because their interest rate is lower than other banks as well as the quality of their advertisement to attract the customers is also not good. In this modern era attractive advertisement is a must for grabbing the attention. For that reason they should be more focused on making attractive advertisements to grab the attention of the customers.

I completed my major in Human Resource Management but basically I was assigned to work at the general banking sectors and foreign exchange department as well as the information section where I was assigned to handle clients over phone so it was not that much related with my studies. The senior officers as well as the officers are very helpful so that I did not face that much problem. Moreover, the office environment was also very good so that my internship experience was quite good which will help me a lot to my future working life.

Mercantile Bank is now a very renowned as well as gained an important position all over the country so that the employees are very serious to maintain its fame. The name of my supervisor is Mahbubur Rahman who is the principal officer of motijheel branch. He is very helpful and always tries to motivate me to do the works. Though I did not have any working experience before but my colleagues are very helpful as well as they behaved so well with me and always motivate me to complete my works. It was not difficult for me to learn all the works within this short time but the workers over there was very much helpful for me so that I had learn many works which will help me a lot in my future life.

### **Working with new environment: -**

At the very first day of my internship program at MBL the environment was totally new for me. I was just completed the academic life of my BBA program and started working under a renowned bank which was totally new for me. For example, new boss, new colleagues, new faces everything was part of my experience. Special thanks to my almighty Allah and my colleagues who are always there for me to complete my internship program.

### **Have to take permission before doing any work: -**

Before doing any work I have to take permission from my assigned officer. The reason was very clear that I came here for learning and every work is very new for me as well as I might make any mistakes for that reason I have to take permission before doing any work. Even for coming to the campus for counseling I had to take permission from my assigned officer.

### **Handling customers: -**

In my banking career I was assigned to handle different types of customers. I have to handle huge number of customers which is a good experience for me. Sometimes the customers are satisfied with my works. Handling different types of customers was one of the best experiences of my life.

### **Proper time management: -**

In my academic life I do not need to do the classes on the exact time. My faculties gave 10 minutes after starting the class but in my banking life if I enter into the bank after 10 minutes after starting the banking hour I have to face lot of questions for that reason I have to start my work at exact time.

## Lessons learned from the Internship Program

From the very first day of my internship program I had learned so many lessons which are very helpful for my future carrier.

### **Kill the fear: -**

It is always a big matter to be confident because banking job is very sensitive. If anyone did not able to kill his or her fear then he or she might not able to do the job. My supervisors as well as other senior officers always try to motivate me to do by work fearlessly.

### **Gathering Knowledge: -**

The importance of an internship program is to gather knowledge through practical experience. Before internship program I was only learning from only books but from this program I was able to many things. By internship program we can learn we can learn various works.

### **Work out of comfort zone: -**

From the very first day of my internship at MBL, senior officers as well as offices always told me that I have to work out of my comfort zone which will make the work easy and comfortable. Then I am starting to do the work out of my comfort zone which really makes my work easy as well as comfortable.

### **Working with a team: -**

From the university life and also in the office we have many works which we are working in a team. When are facing any types of problems we are always try to solve those problems by working by a team. My supervisor as well as by other colleagues always tries to motivate me to work with a team. When we were working with a team most of the time we get success.

### **Sharing my own thoughts: -**

Sharing is very important which I had learnt one more time from my colleagues. I can share my thoughts with them as well as they are sharing their point of view with me. They are always teaches me the needs of sharing with one another. By sharing thoughts with one another we can get the best possible solution of any problem.

## **Concluding Statement**

## **Summary**

From my internship program I have learned a lot of things about Mercantile Bank Limited. Now Mercantile Bank is one of the renowned banks in Bangladesh as well as in different countries all over the world. Even from this internship I came to know different policies of Mercantile Bank.

Though my internship report is totally based on its general banking sector for that reason I have learned a lot of things about its general banking sectors. From this department I have come to know how to communicate or handle different customers, how to open an account, how to issue and payment of a pay order, how to issue and deliver cheque, how to open savings account, DPS or MSS account, FDR account, how to deliver debit card along with its pin and many things from the general banking sector.

I had also learnt few things about this bank's foreign exchange sector. Foreign exchange department has 3 sectors. They are, import sector, export sector and foreign remittance sector. I got the opportunity to work with export department from where I learned few things like, how to open letter of credit (LC), as well how to put all the records in a register etc. From the remittance department I came to know different investment mode.

From the very first day of my internship program I was trying my level best to understand their different functions as well as I worked in all the desks of general banking sector because the topic given to me for my internship program is about the general banking activities of this bank. I worked 2 months in the general banking sector of Mercantile Bank. My colleagues are very much helpful towards me so that it is not that much difficult for me to learn all the things within a very short time.



## **Recommendation: -**

In each and every bank there are many lacking. Though Mercantile Bank is doing very well in all the departments but it has many lacking as well which are given below:

- In this modern era other commercial banks are using latest technology. MBL should always try to adopt the latest technology where they can innovate various new policies to run the bank with the same flow as other banks do.
- Slow process of giving ATM card is a big problem for MBL. Most of the time the card division takes more than one month so that the clients faced various difficulties.
- The process of fill-up a form is a very long process. For that reason the customers felt annoying because they do not want to fulfill 5/6 pages. So the authority should do something for this problem. They can make it 2/3 pages so that the customers feel easy to fulfill it.
- A lot of new entrepreneurs want to open an account for that reason MBL should make better policies for them so that they will invest in this bank.
- In this modern era strong marketing is a must as well as qualitative advertisement which are totally missing at MBL. They should focus more on digital marketing as well as they should make more attractive advertisements so that they can grab the attention of other customers.
- In each and every branch of MBL needs a customer relationship officer so that they can build a good relation with their customers as well as their customers will get benefits from it.

- The rules and regulation of opening a customer account or an organization account or joint account are very strict than other banks. MBL should make it more flexible so that the customers feel motivated to open an account.
- According to some employees at MBL, Motijheel Branch, they are not happy with the promotion giving process. They sometimes feel very much disappointed and demotivated so that they do not want to continue the job. The MBL authority should look forward to this problem and also they should make it more flexible for their employees.
- The messengers over there was not that much skillful but there salary is quite higher than other qualified person. For that reason they should take more qualitative person over them so that those persons will do their work sincerely.

## **References: -**

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