

Report On
“Overall Performance Evaluation of Dhaka Bank”

Submitted By

Imtiaz Rahman
Student ID: 15304088

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

BRAC Business School
BRAC UNIVERSITY
December 12, 2019

© 2019. BRAC UNIVERSITY
All rights reserved

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 have acknowledged all main sources of help.

Student's Full Name & Signature:

Imtiaz Rahman
15304088

Supervisor's Full Name & Signature:

Md. Hasan Maksud Chowdhury
Assistant Professor
BRAC Business School
BRAC UNIVERSITY

Letter of Transmittal

December 12 ,2019

Md. Hasan Maksud Chowdhury

Assistant Professor

BRAC Business School

BRAC University

66 Mohakhali, Dhaka-1212

Subject: Submission of Internship Report

Dear Sir,

This is my great pleasure to submit the Internship report on “**Overall Performance Evaluation of Dhaka Bank**” which is the requirements for the BBA degree. I have completed the internship from **Dhaka Bank Limited (DBL)** .

I have tried my best to prepare an effective and credible report by implementing my academic experience in practical field as well as tried to address the major and in-depth issues to make the paper accurate and creditable. While preparing this report, I made sincere effort to study related materials, documents, observe operations performed in my courses and have tried to gather as much information as I could. However, for any sort of inconsistency, I will be pleased to clarify regarding this report.

I would like to thank you for your cooperation and hope that this report will receive your kind appreciation.

Sincerely yours,

Imtiaz Rahman

ID No: 15304088

BRAC Business School BRAC UNIVERSITY

December 12, 2019

Non-Disclosure Agreement

This agreement is made and entered into between Dhaka Bank Limited (DBL) and the undersigned student at BRAC University named Imtiaz Rahman for the commitment of preventing the unauthorized disclosure of confidential information of Dhaka Bank Limited (BDL).

.....

Dhaka Bank Limited (DBL)

.....

Imtiaz Rahman

Acknowledgement

This report is a summation on many people's endeavor. But at first, I would like to express my gratitude to almighty Allah for vesting the strength to complete this report successfully within the schedule time.

This report would not have been possible without the dedication and contributions of a number of individuals as it is involved diverse field of knowledge and experience. Hence, it will be unfair to ignore acknowledging some of them as they contributed so much.

First and foremost, I would like to express my gratitude to my honorable supervisor **Md. Hasan Maksud Chowdhury, Assistant Professor, BRAC Business School** for agreeing to supervise me. for providing his valuable guidelines and proper direction to make the report fruitful one during the internship period.. He helped me every step of starting and completing my report properly.

I am also very grateful to **Mohammad Nazmul Hossain SPO & manager operations, Dhaka Bank Limited** and also Hussain Rashid Bhuiyan Sir, Mehedi Hasan Sir, Abdur Rahim Sir , Hafizur Rahman sir, Tanvir Robayer Islam Sir, Gazi Rafeeza Khaton Mam, Zakir Hossain Sir, Asaduzzaman Sir, Shahrin Mam ,Asadul Islam Sir of Dhaka Bank Limited (DBL), who have given their endless effort to guide me in the right direction during the internship period and processing of this report. Again I would also like to thank these people who were kind enough to answer my questionnaire and appreciated the work that I did at the same time.

Executive Summary:

This internship report based on a three-month internship I completed as a requirement of my BBA program at BRAC University in Dhaka Bank Limited under the general banking division from September 3rd to 31st January 2019. As an intern, it was a great journey with a lot of corporate world knowledge and experience.

Every hour I spent in Dhaka Bank Limited general banking gives me a good amount of new experience that will help me in my future carrier. It was a valuable experience because it helps in the real-life organization to use academic knowledge. Throughout my internship, I saw that they have a good organizational culture in Dhaka Bank, and I think this helps a lot to be a successful one in the banking sector. This report includes the overall performance of the banking industry as described in this report, the size, trend, economic factor, technology factor, and so many things. And the history, trend, products, operations and many other things were described in the overview of Dhaka Bank Limited. The memory, too.

I was briefly described in this report in my three-month internship period. My duties, responsibilities and contribution to what position I have worked for. And the skills I've gained during this period. There are also recommendations for improving departmental operations and self-performance. The next part is the report's conclusion and I have included all the list of information, journal and website that successfully complete this report.

Key Words :

Deposit , Savings, Loan, Pay-Order, Scheme, Liquidity, Ratio, Asset.

Table of Contents

Declaration	ii
Letter of Transmittal	Error! Bookmark not defined.
Non-Disclosure Agreement	iii
Acknowledgement	Error! Bookmark not defined.
Executive Summary	Error! Bookmark not defined.
Table of Contents	vii
List of Tables	x
List of Figures	xii
List of Acronyms	xii
Chapter 1 Introduction	Error! Bookmark not defined.
1.1 Generalities Of The Study.....	Error! Bookmark not defined.
1.2 Objective Of The Study	Error! Bookmark not defined.
1.3 Methodologies	Error! Bookmark not defined.
1.4 Limitation Of The Study.....	3
1.5SignificanceOf The Study.....	3
Chapter 2 Organization	4
2.1 Overview Of Dhaka Bank.....	4
2.2Vision Of Dhaka Bank.....	5
2.3 Mission Of Dhaka Bank.....	5
2.4 Startegic Objective.....	6

2.5 Distribution.....	7
2.6 Analyzing The Completion Of Dhaka Bank.....	7
Chapter 3 Internship Experience	10
3.1 Personal Feelings.....	10
3.2 Position, Duties And Responsibilities.....	11
3.3 DBL Go.....	12
3.4 Evaluation.....	13
3.5 New Skills Developed	13
Chapter 4 Project Methodology	14
4.1 Financial Performance Evaluation Of Dhaka Bank	14
4.1.1 Core Deposit Ratio.....	14
4.1.2Cash Position Indicator.....	15
4.1.3 Liquid Security Indicator.....	16
4.1.4Internal Capital Growth Rate.....	17
4.1.5Loan To Total Deposit	18
4.1.6Loan To Total Asset.....	19
4.1.7 Interest Speed	20
4.1.8 PE Ratio.....	21
4.1.9 Operations.....	22
4.1.10 SWOT Analysis.....	23
Chapter 5 Recommendation.....	27
5.1 Recommendation for Improving Departmental Operations	27
5.2 Recommendation for Improving Self-performance.....	28

Chapter 6 Conclusion.....	29
Conclusion.....	29
References.....	30

List of Tables

Table 1: Distribution	16
Table 2 : Core Deposit Ratio.....	23
Table 3: Cash Position Indicator.....	24
Table 4: Liquid Securities Indicator.....	25
Table5 : Internal Capital Growth Rate.....	26
Table6 :Loan To Total Deposit.....	27
Table 7 : Loan To Total Asset.....	28
Table 8 : Interest Speed.....	29
Table9 : PE Ratio.....	30

List of Figures

Figure1:Five Factor Of Production	17
Figure2: Core Deposit Ratio.....	Error! Bookmark not defined.2
Figure 3:Cash Position Indicator.....	25
Figure 4 :Liquid Securities Indicator.....	26
Figure5 : Series 1	27
Figure 6 : Loan To Total Deposit.....	28
Figure 7: Loan To Total Asset Ratio.....	29
Figure8 : Interest Spread.....	30
Figure 9 : PF Ratio.....	30

List of Acronyms

SME	Small to medium enterprise
RTGS	Real time gross settlement
MSME	Micro, Small and medium enterprises.
ACCS	Automated Cheque Clearing -Software
CIB	Credit Information Bureau
CRAR	Capital To Risk Weighted Asset Ratio
PO	Pay Order
SDS	Special Deposit Scheme
FDR	Fixed Deposit Receipt
CASA	Current Account Savings Account
DPS	Deposit Pension Scheme
KYC	Know Your Customer
BEFTN	Bangladesh Electronic Fund Transfer
EFT	Electronic Fund Transfer

Chapter 1

Introduction

1.1 Generalities of the study

As the most financial intermediaries, the bank plays the most important role in the modern economy's progress. Banks are considered modern economy's life-blood. The main function of banks is to collect money from the client in the name of the deposit and to give the money in the name of the loan in exchange for the interest to people, households and businesses. Generally speaking, the bank does not create money in the economy, rather its function boosts the production, exchange, and disbursement of wealth that makes an enormous economic contribution. According to Stephenson & Britain "Banks are the custodians and distribution of liquid capital, which is the life-blood of our commercial and industrial activities and upon the prudence of their administration depend the economic well-being of the nation".

For the circulation of money throughout the economy, there are several types of banks, such as agricultural bank, savings bank, central bank, deposit bank, commercial bank, central bank, etc. All banks contribute to the economy of the nation by mobilizing people's savings and contributing the country's investment. People are trying to cope up with this banking era.

Banks are the primary economic indicator. A country's entire scenario can be easily ascertained by examining the bank's results, mainly commercial banks, most of which control the financial sectors. Banking started its journey focusing on the public sector with the intention of the financial system being reshaped. Shortly after that it was understood that in order to enhance the development process, banks should also be participating in the private sector. The 1980s, however, were recognized with the advent of a number of private banks, and Dhaka Bank is one such bank. At present Bangladesh is having 59 scheduled banks operating across countries out of which 6 are state owned commercial banks, 3 specialized banks, 41 private commercial banks and 9 are Foreign Commercial Banks.

Even though banking remains the most important economic indicator, banks in Bangladesh most of the times suffers from inadequacy. The most influencing problem occurs due to loan default.

Mostly CIB helps nowadays to categories people based on their credit profile. Also, the credit policies and procedures mandated by Bangladesh bank can be a great mitigation in this regard.

1.2 Objectives of the study:

The report's primary objective is to meet the requirement for a BBA degree under BRAC Business School, BRAC University. However, by comparing with some other banks of this era, the core objective is to evaluate the performance of Dhaka bank, which is a second-generation bank. Maybe Dhaka bank is doing well, but by providing excellent, how other banks perform their functions to be in the leading position. The study analyzes the quality and efficiency of all their divisions. Financial statements mostly can be a great determinant of the performance evaluation and by analyzing financial report of the selected bank overall performance of Dhaka bank is to be evaluated.

1.3 Methodologies

To make the report entitled evaluating the performance Dhaka bank an effective one for all the readers not only Dhaka bank has been contemplated but also two other banks of the same second generation such as- NCC bank, Southeast bank has been taken into consideration.

In order to collect resourceful information not only primary source but also secondary sources have been acknowledged such as

Annual Report of the mentioned 3 banks from 2016-2018 for the ratio analysis.

Brochures of selected banks

Different written document of selected banks

Newspaper

Web sites.

1.4 Limitations of the study

It was truly a delightful experience working as an intern in Dhaka Bank and reporting by examining their operations objectively by comparing two other banks, but the document definitely contains some limitations. Those are-

- 1.The collected data were interpreted and then applied on the basis of my understanding.
- 2.Time constraints was a major limitation of making the report perfect and more fruitful.
- 3.Not directly incorporating with NCC, Southeast bank and all the sections of Dhaka bank.
- 4.Some very important information could not be incorporated in this report due to confidential factors.
- 5.Some information of the articles could be biased.

1.5 Significance of the study

The significance of this study is that it will provide the industry holder and the general people with proper knowledge of Bangladesh's banking industry and also of Dhaka Bank Limited. This study reflects the exact image of various factors in the banking industry, so that bank regulators can clearly see this industry's situation. And Dhaka Bank Limited's regulator can recognise their power, weakness, potential, and risk, and can assist them in making more successful decisions. The internship knowledge and experience will assist the prospective intern in properly training and planning.

Chapter 2 Organization

2.1 Overview of Dhaka bank

Dhaka Bank is one of Bangladesh's deepest and leading private banks. Dhaka bank initially began its journey as a Public Limited Company under the Companies Act, 1994, on April 6, 1995. On July 5, 1995, the company started banking operations with an estimated gain of 1000 million takas and paid up 100 million takas of equity. It was also listed on the Dhaka Stock Exchange and Chittagong Stock Exchange in 2000. With strong corporate bonding, it has established a country-wide reach with its larger network of 101 branches including 2 Islamic Banking Branches, 3 SME Service Centers, 56 ATMs, 20 ADMs, 1 Business Kiosk, 1 Customer Service Center and 2 Offshore Banking Units including ATMs, ADMs, SME networks and SMS banking. It has also launched a subsidiary called Dhaka Bank Security.

Dhaka Bank has recently brought new technologies and processes to more sophisticated ways of serving customers. The Supply Chain Finance Window is the newly launched I the first ever electronic system in Bangladesh and "Bills to Money." Also, the newly introduced Pay Master Program has tremendously paved the way for good SME borrowers to promote good customer payment behavior, and DBL Shukti's MSME Deposit Product is another commendable attention. Reshadur Rahman chairman of Dhaka bank in the 2018 Annual Report says that despite some economic uncertainty Dhaka bank succeeded in making a remarkable growth in its function and Bangladesh being an attractive scope for foreign investors Dhaka bank has managed to get a tremendous flow of Remittance growing 17.1 percent in FY18 despite facing 2 years of declines. It has introduced a lot of features to serve its customers. They effectively launched some pioneering products & offers in the Retail & Cards area, such as EMV Chip, primarily based on Contactless Credit Score Card. It has provided 2FA / OTP with Signature and Platinum Card, the very first initiative in Bangladesh, for e-trade payment, Key-global Airport lounge access that is working in more than 1000 airports in 130 countries. Recently, its offerings have included more than one hundred Cards and EMI retailers. With most of it, it has effectively crossed its target and was able to observe tremendous growth in its financial position, still trying to maintain its growing service legacy.

The main goal of Dhaka Bank is to serve its customers best and focus on customer centricity. It brings together all services in such a sophisticated manner that investors can maximize their wealth and run their operations efficiently, effectively and ethically. Keeping the investors benefit in mind it has diversified its key businesses are diversified into Corporate Banking, SME, Agriculture, Consumer Banking and Islamic Banking. Also, it has categorized its functions in different sectors such as Business Operations, IT, R&D, Marketing, HR, Procurement & Logistics, Risk Management, Compliance, Internal Audit, Financial Administration and so forth. Furthermore, Dhaka Bank has decided to diversify its business into two subsidiaries, one of which will be handling the stock market and brokerage services called Dhaka Bank Securities Limited, and the other will be performing non performing merchant banking operations.

Dhaka Bank has, however, enrolled its function to concentrate disadvantaged business communities. Through SME banking, it has tried to contribute by paving the way for small, medium-sized enterprises to grow to add value to the economy. Because of its excellence in banking services, THE BANKER, a UK magazine owned by The Financial Times, has won the award 'The Bank of the Year 2018 in Bangladesh.' This is a huge success for the bank as it is considered an OCSAR banking field.

2.2 Vision of Dhaka Bank

Dhaka bank's dream intensifies from a distance their inspirations. The vision of Dhaka Banks is to create a standard that makes every banking transaction an enjoyable experience. Their endeavor is to provide peoples with various supreme services through actuality, timely delivery, reliability, accuracy, global trade and trade reach and high customer yield.

Employees, products and processes of Dhaka Banks are aligned to meet the demand of their decision-making customers. Their goal is to achieve a vision that is individual. Their main goal is to deliver a quality that debunk a true reflection of their vision that is banking excellence.

2.3 Mission of Dhaka Bank

The Dhaka Bank's goal is to be the country's leading financial institution offering high-quality financial products and services backed by state-of – the art, sophisticated technology and a team of diverse employees who are highly motivated to deliver banking excellence.

Corporate Values

The corporate value of Dhaka bank to bring excellence in the banking through sophisticated technologies encompasses six corporate values

- Customer Focus
- Integrity
- Quality
- Teamwork
- Respect for the Individual
- Responsible Citizens

Through its core corporate values it ensures to make the experience of having services from Dhaka Bank more pleasurable

2.4 Strategic objectives

1. Dhaka Bank's strategic goal of providing excellence in its operations includes the following roles.
2. Conducting transparent and high-quality business operations based on market mechanisms within the legal and social framework of their mission, which are reflected in their vision.
3. To provide its customers with excellent delivery system continuously reliable, creative and high-quality goods.
4. As a sustainable and ever-growing organization, generating profit with qualitative business and enhancing fair returns to their shareholders.
5. Engaging their community as a corporate citizen and contributing to the nation's progress in terms of corporate social responsibility.
6. Promoting their employees wellbeing through an attractive compensation package, promoting productivity of workers through training, growth and career planning.
7. To fulfill their responsibilities towards the government by paying all sorts of taxes and duties and complying with the other rules.
8. To be more mindful of the atmosphere and climate change and to make their country a fertile and clean earth.

2.5 Distribution:

In 2018 Dhaka bank entails 101 branches which includes 2 Islamic Banking Branches, 3 SME Service Centers, 56 ATM, 20 ADMs, 1 Business Kiosk, 1 Customer Service Center.

	2014	2015	2016	2017	2018
Number of branches	82	88	95	101	102
Number of ATMs	48	54	55	56	57
Number of ADMs	16	18	21	21	21

2.6 Analyzing the Completion of Banking Industry

Analyzing the completion of the five-factor template of any Porter industry is commonly used and appropriate. Also known as P5F, it was developed in 1979 by Michael E. Porter. The factor such as entry barrier, supplier power, buyer power, substitute threat and banking industry rivalry are briefly described below by this model.



2.6.1 Barriers to Entry

Bangladesh's banking industry is still growing. There's a lot of potential going into this industry. And the existing businesses make it harder for a new comer to enter the market. The entry barriers are nothing more than making it harder and more expensive to enter a particular industry. Some common barriers to entry in Bangladesh's banking sector are-

- Government rules and regulations
- Existing companies strong customer base
- Economics of scale
- Absolute cost advantage

2.6.2 Supplier power

In general, the supplier of the banking industry means the depositor, the actual flow of money through deposits in this industry. The depositor or supplier's power is high. People are becoming smart through the development of information technology. They're still trying to keep their profits more profitable, and IT has made it easier. Just one search in depositors on the internet gets information that bank pays more interest. So the banks are in trouble because the depositors want to save more money in interest, but the borrower wants to lend less money.

2.6.3 Buyer Power

The buyers of the bank is mainly the creditors, they actually lend the money from bank. Their power is partially low because the government partly controls it. But in some cases their power is high, they are searching for low interest rates in case of lending. The Internet has made it easy to find and compare the interest rate of different companies. And by searching who provides the loan at low cost or interest, you can easily shift one bank to another.

2.6.4 Threat of Substitutes

The banking industry is facing an increasing number of substitutes in terms of the risk of substitutes, while globalization has brought major mergers and acquisitions. Modern telecommunications' ability to reduce distance is the main reason why foreign banks with no branch networks in local markets have often been hampered. Although not many alternatives are available. The government was unable to develop innovative savings schemes to attract the general public, thus reducing the threat to the banking industry's substitutes.

2.6.5 Industry Rivalry

Bangladesh's industry is highly competitive. Banks are attempting to provide the customer with the best service to hold new market share and achieve it. And they can survive in this highly competitive market in this market that will provide the best, convenient and fist service. Rivalry between competing firms is the most powerful of the five competitive forces. The strategies can only work to the degree that a business offers competitive advantage over the strategies followed by another rival company. By changing one company's strategy, retaliatory countermeasures can be met, such as lowering prices, improving service quality, adding features to existing services, and increasing promotional tools to attract new customers. The strength of competition between competing firms results in the number of new competitors. Competition is affecting the banking industry in Bangladesh and this climate is rising day by day. In this industry, as the many new commercial banks are coming,

the banks are always trying to gain the competitive advantage over their rival banks. They try to attract customers by introducing new schemes and promotional activities.

Chapter 3 Internship Experience

3.1 Personal Feelings

I feel privileged to have a chance to use the skills I have learned from my undergraduate program. For me, internship is the best way to recognize the shortcomings and strengths and make good use of the lessons that will be applicable in the real-life job scenario. I am very grateful to have the opportunity to experience the wonderful working environment of the Dhaka bank (branch of Narayanganj). This beautiful trip lasts for three months (September 3rd, 2019 to November 31st, 2019). I had never thought that a corporate environment could be this much friendly and cooperative. Each and every employee in their departments are so skilled and productive that I was also motivated to work hard as an employee in my coming days. I've learned that productivity doesn't come in a job on its own, but the environment you're working on has a big influence on loving your work and making it more productive. The journey began with meeting all the staff there who welcomed me as they knew me for a longer period of time. I was quite nervous at the beginning as it was my first experience working with so many experienced and knowledgeable people. I used to think that bank errors will be considered as death penalty, but the officers I had the opportunity to work with taught me how to learn from the errors and the importance of being careful in all kinds of work. I had to report Mr. Mohammad Nazmul Hasan's branch operations manager on a daily basis and he supervised me throughout my internship.

3.2 Position, Duties and responsibilities

I had various types of responsibilities and I learned from the responsibilities. Among all the responsibilities I found most important in collecting clearing checks. The clearing process is carried out by Dhaka's own software called "Automated Cheque Clearing." Until beginning the clearing process, some manual tasks should be performed, for example, by giving the clearing seal and the authorisation seal on the back manually. The customer copy should be sealed with received seal during the collection of clearing checks and when the clearing is completed only then clearing seal can be given. The next step is to sum up high-value checks and regular checks and then scan the checks through the scanner. After scanning all the check images are saved in the ACCS software with which the correct input of all the check details is used to clear. It was also my duty to have all the details of the checks that were returned. Sometimes customers give their checks for clearing and due to insufficient balance and any other mismatches the clearing house rejects those checks and after informing those customers when they come for collection I used to return them but before that I had to record the details with the signature of those customers in the register book. I had to document all the clearing checks that came for clearing every day before I left, as those checks were cleared the very next day before 12.30 pm.

In addition, my main duty was to contact the Dormant account holders to convince them to trigger their accounts by calling debit card holders, check book issuers and credit card issuers and letting them know that their requested service is in the bank and those who do not take the services after all requesting them, I had to tell my supervisor and they tried their best to deliver them. I also used to call those customers who borrowed from the bank against their accounts to renew their loan session or pay interest once their accounts are lent.

I used to collect the ATM cards and check books by taking the officer's approval with the customer's signature. I learned to write pay order block, pay order forms, RTGS form, Western union forms opening account forms as well, however. I've helped those customers who don't fill out the forms very easily. I used to support customers with both personal and non-personal accounts. I used to write on the forms and give them clear instructions on what to fill in for the convenience of the customers. Applicant generally needs 2 copies of passport size pictures, a photocopy of any recent month utility bill, an original copy of the NID to verify the identity and source of income for the opening of the account. NID and 1 copy of the passport size photo must be provided to the nominee. There may be multiple applicants in

any account. Paying my tuition fee at the bank where I work was a great experience for me. I used to write CIB forms that categorize several individuals based on their credit profile to get a Bangladesh Bank alert as to whether or not a person is reliable enough to lend.

3.3 DBL GO:

My main duty as part of Dhaka Bank was to let people know about the app launched by Dhaka Bank for the convenience of its customers. People can have easy access to their accounts and all the information such as their current balance, outstanding, last transaction, and so on for financial control. This app has a strong mobile-to-bank security connection. With the protected TPIN all data remains private and secured only for viewing customers. Any kind of payment will be informed via SMS. There is no need for the payment to have a physical presence in the bank if someone has Dhaka bank going. The programs it offers

- Account Details
- Balance/Transaction Inquiry
- Bill Payment
- Mobile Top-up
- Fund Transfer
- Service Request
- Existing Offers
- Discount Partners
- Swipe It/EMI Partners
- Branch/ATM Locator
- Dhaka Bank Contacts
- and so on.

Dhaka Bank's journey might be labeled as a learning box. There was no doubt that the journey was wonderful. It would have been very hard if not all the staff were so cooperative and friendly.

3.4 Evaluation

I still try to question myself in order to evaluate my job. Like this, I'm doing it well, I can finish it on time, I'm doing it right, my officer will be pleased with my job and so many questions. So, questions actually make my work perfectly because when I answer those questions, I feel positive.

3.5 New Skills Developed:

I have developed so many new skills every day throughout my internship. It was a great opportunity for me to experience the corporate world, and last three months I gathered some information and new skills every hour I spent at Dhaka Bank. The most important skills I've learned bellow:

- **How to communicate with customers:** General banking is mainly for consumers. It was a great opportunity to confront the real corporate world and communicate with the real customer.
- **Time management:** Time management is one of the key factors that work properly in the corporate world.
- **Problem solving:** Before that, the ability to solve the problem has improved. How to overcome this new skill I have gained from different situations.
- **Dedication to work:** Their dedication and loyalty to work from managers to officers is the perfect reflection of professionalism. The good output for Dhaka Bank results in self-motivated, hard-working and ethical work. In my future carrier, these skills help me a lot and try to be like them.

Chapter 4 Project part

Project methodology:

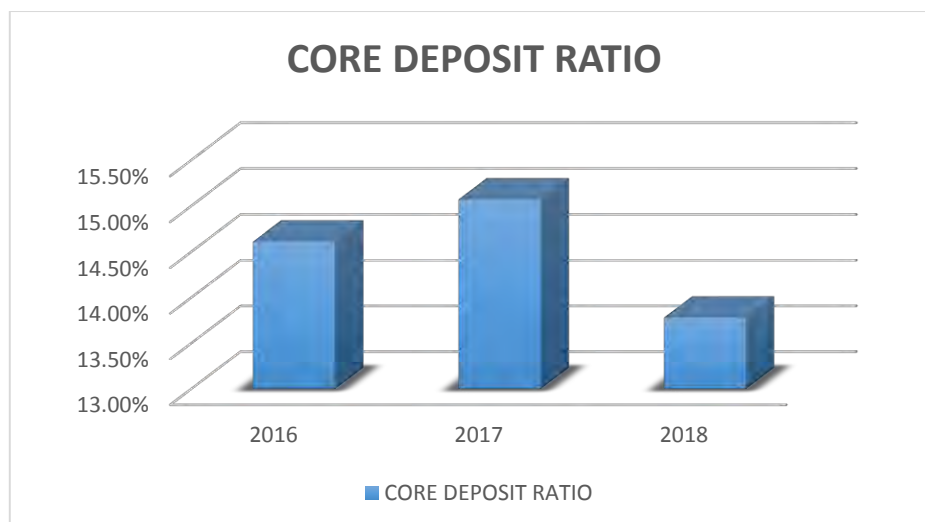
4.1 financial Performance evaluation of Dhaka bank

4.1.1 Core deposit ratio:

Core deposit primarily indicates such deposits for lending banks that are dynamically reliable and consistent funds. Core deposits provide a bank's liquidity.

The core deposit ratio indicates how much of the deposits are a stable source of funds that local customers are unlikely to withdraw or modify the deposit amounts due to any general economic adjustments such as interest rate fluctuations. The higher the core ratio, therefore, the higher a bank's liquidity status. Core Deposit Ratio = Core Deposits (DPS) /Total Deposit (taka in million)

	2016	2017	2018
Core deposit (deposit pension scheme)	22972975423	25631490774	27167601350
Total deposit	157161630521	170035420927	197189479856
Core deposit ratio	14.61%	15.07%	13.78%

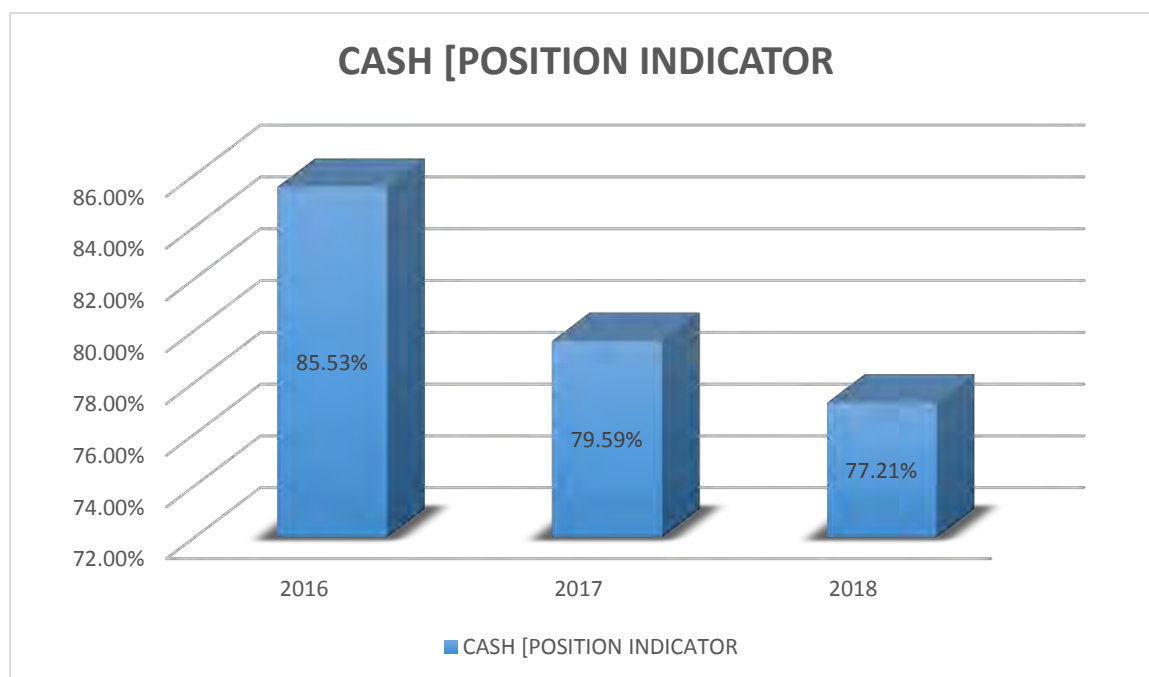


4.1.2. Cash Position Indicator

Cash position is a powerful financial strength indicator. It's another sign of a bank's liquidity status. It specifies the level of cash that can manage the bank's position to handle immediate need. It shows cash and deposits relative to their total assets.

$$\text{Cash Position Indicator} = (\text{Cash} + \text{Deposits}) / \text{Total Assets}$$

	2016	2017	2018
Cash	16715758759	13684691050	15451545066
Deposit	157161630521	170035420927	197189479856
Total asset	203276912804	230828490416	275397025325
Cash position indicator	85.53%	79.59%	77.21%

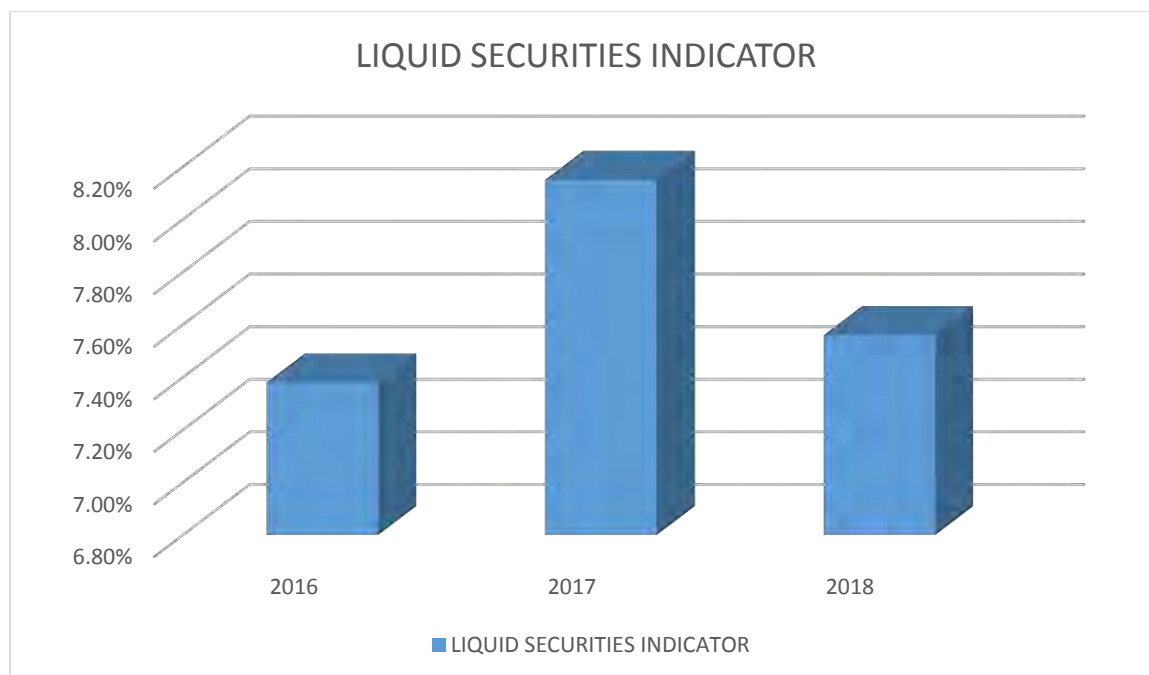


4.1.3. Liquid Securities Indicator

Liquid securities indicator shows the overall size of its portfolio of capital with the most marketable securities that a bank can hold

.Liquid Securities Indicator = Short Term Securities/Total Assets

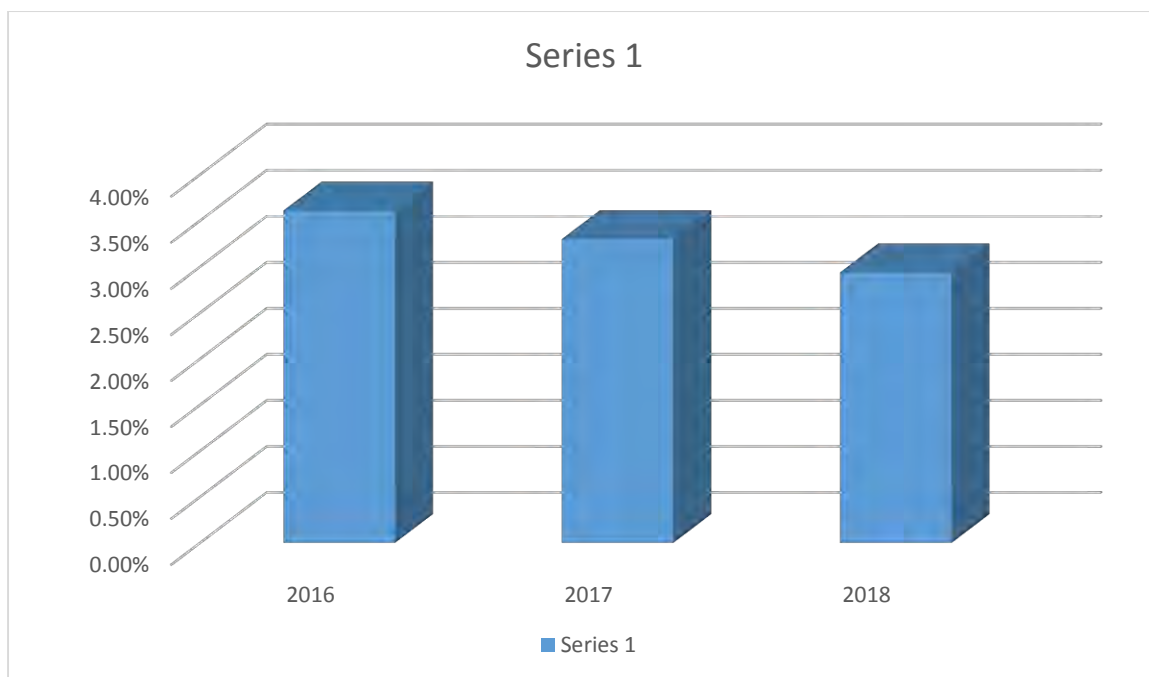
	2016	2017	2018
Short term security(Investment in marketable security)	1500440363	1881629593	2082701298
Total asset	203276912804	230828490416	275397025325
Liquid securities Indicator	7.38%	8.15%	7.56%



4.1.4 Internal Capital Growth Rate

External capital growth rate shows how quickly a bank's external resources expand and can gain its equity capital. The higher the level of domestic capital production, the more capable a bank is of supplying capital to borrowers who ultimately produce fresh interest income for the lender. $ICGR = ROE \times \text{Retention ratio}$

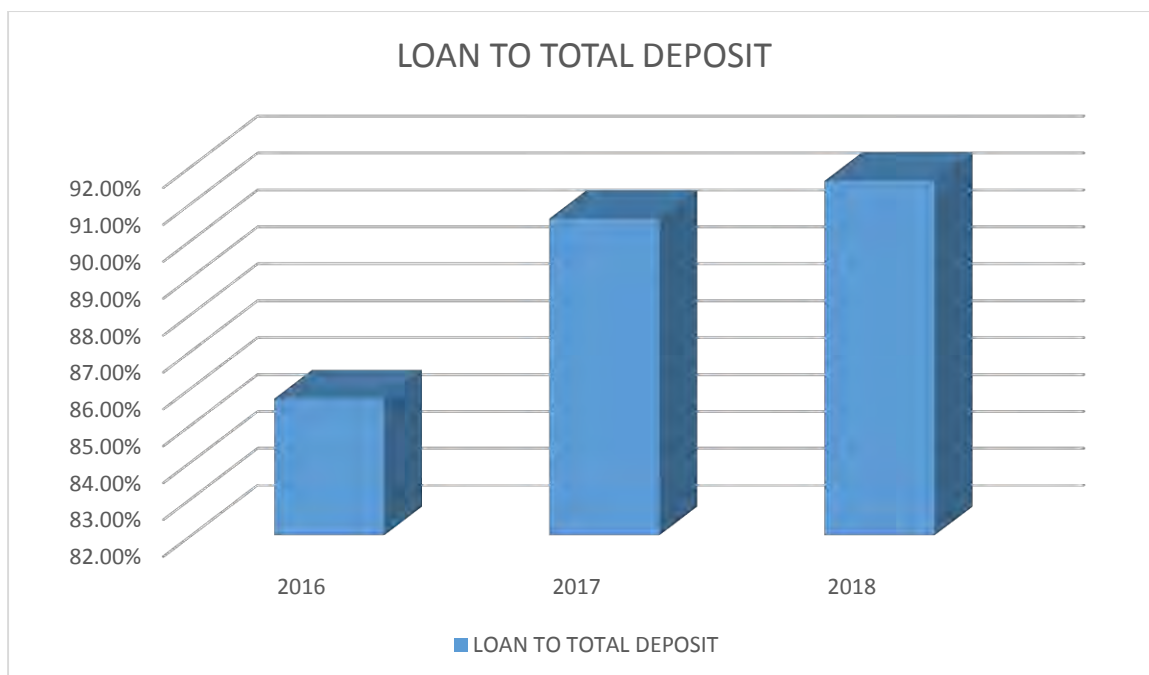
	2016	2017	2018
ROE	10.15%	9.21%	8.18%
Retention ratio (dividend/net income)	1- (1000582816/155228022 4)	1- (1031851026/160875514 3)	1- (902869650/140962844 1)
ICGR	3.61%	3.30%	2.94%



4.1.5.Loans to Total Deposit

Loans to Total Deposit = Loans/Deposit

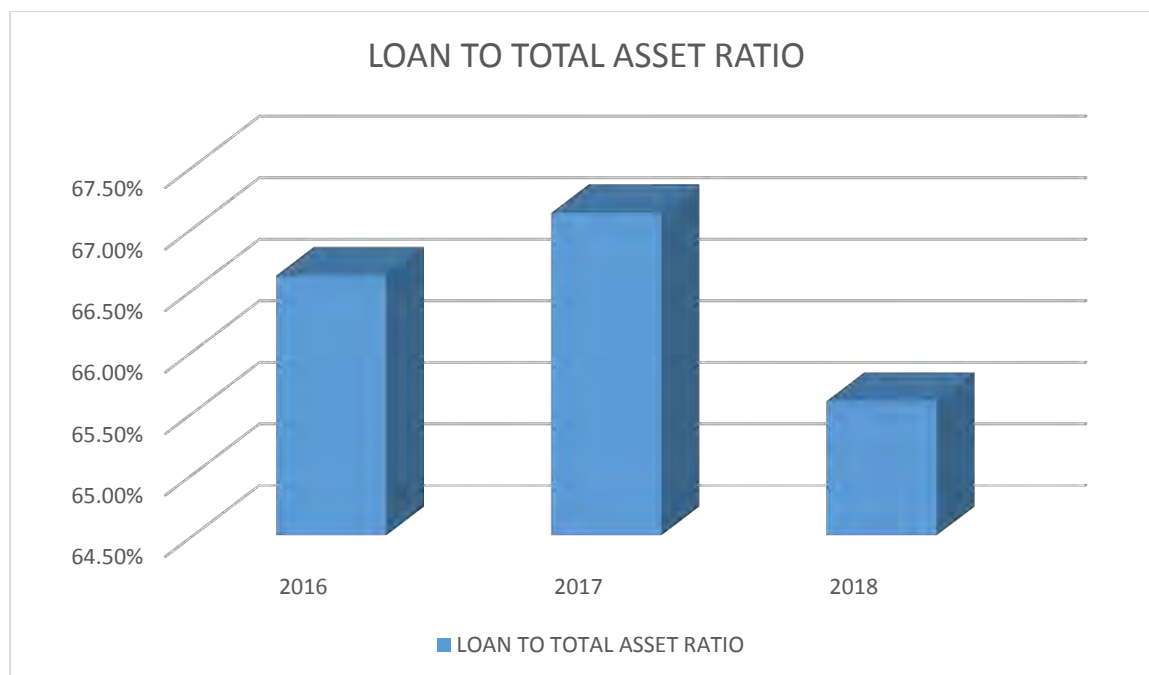
	2016	2017	2018
Loan	134689000000	154017000000	180626000000
Deposit	157161630521	170035420927	197189479856
Loans to depsit ratio	85.70%	90.58%	91.60%



4.1.6.Loans to Total Asset

Loans to Total Asset = Loans/Asset

	2016	2017	2018
Loan	134689000000	154017000000	180626000000
Total Asset	202191595861	229452857449	275397025325
Loans to Total asset ratio	66.61%	67.12%	65.59%

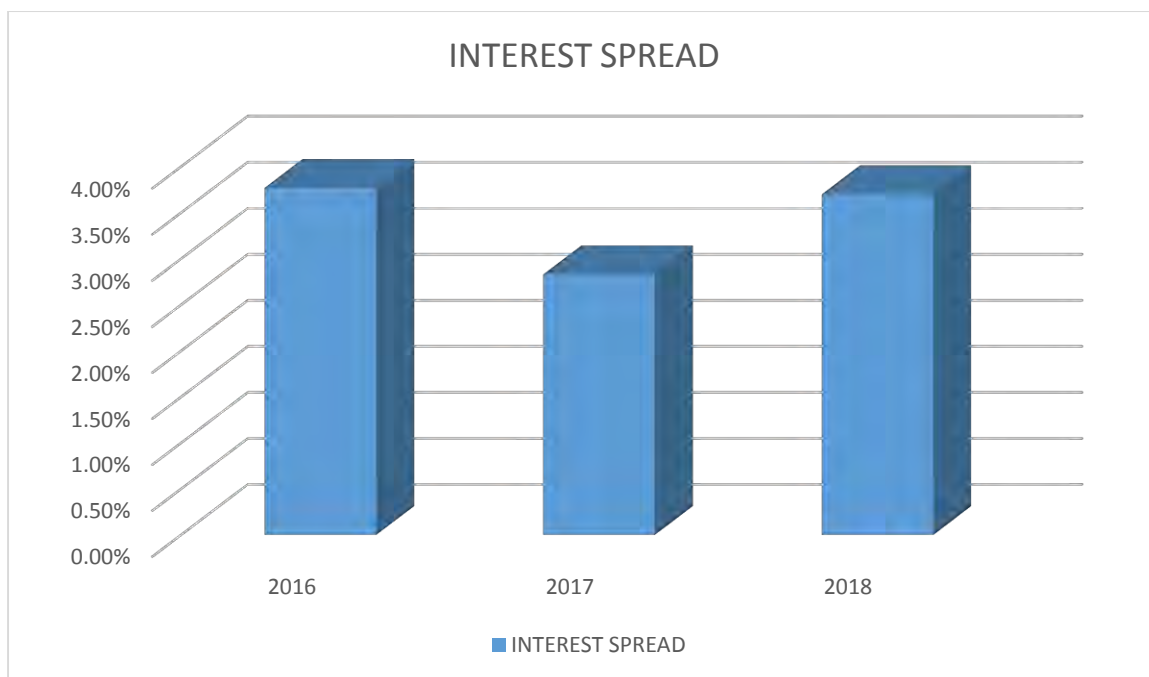


4.1.7. Interest Speed

Interest Spread = $[(\text{Interest on Loan}/\text{Total Loan}) - (\text{Interest on Deposit}/\text{Total Deposit})] * 100$

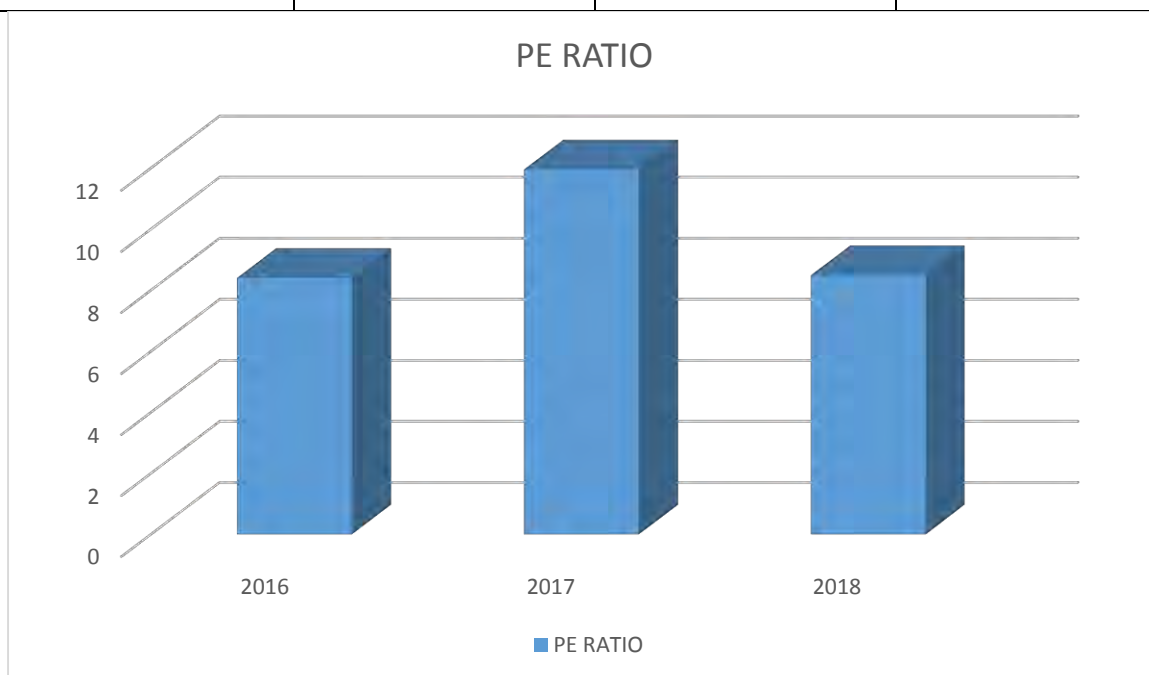
Interest spread

	2016	2017	2018
Interest on Loan	13173471870	13727205143	18973652799
Loan	134689000000	154017000000	180626000000
Interest on deposit	9451375496	10339604517	13413830494
Total deposit	157161630521	170035420927	197189479856
Interest spread	3.77	2.83%	3.70%



4.1.8 PE Ratio

	2016	2017	2018
Dhaka bank	8.40	11.95	8.49



4.1.9 Operations

Dhaka Bank is a leading Bangladesh-based private commercial bank. As a leading commercial bank, Dhaka Bank has to conduct several transactions to meet customer needs. All of their product and service are given earlier and described below are some of their major operations. Providing

ATM service:

ATM service is one of Bangladesh's most popular service because any time a customer can withdraw money. Dhaka Bank provides its service with 28 ATM booth based on incising customer demand.

Foreign exchange and remittance:

Dhaka Bank also performs foreign exchange activities and provides people with remittance services. Many people in foreign countries are doing work and sending money to their families.

Corporate Social Responsibility (CSR):

Corporate social responsibility plays an important role in the business world and CSR has some strategic importance for the companies. Dhaka Bank is also efficiently performing its corporate social responsibility.

4.1.10 SWOT ANALYSIS OF DHAKA BANK:

SWOT analysis is an excellent indicator of the organization's success. It helps identify strengths, weaknesses, opportunities and threats. By conducting a proper SWOT analysis, it is possible to identify strengths to gain more understanding of the potential market and to overcome the threats through proper planning. Through finding opportunities, the roles of a company can be more effective. DHAKA BANK's SWOT analysis is done below-

Strength-

- **Strong corporate image-** Dhaka bank's corporate image is strong. This corporate image and customer appreciation is the result of effective performance and quality in all branches. Their quality performance has made this bank's customers committed.
- **Employee commitment and interactive corporate culture-** Dhaka bank employees are very committed to the bank. For their work, they are skilled and dedicated. Every bank staff is highly cooperative towards their colleagues. The interactive interactive corporate culture makes their employees more active, productive, efficient, effective, engaged, friendly and skilled. Strong organizational culture of DBL has created sense of belongings towards bank which is its strength.
- **Upgraded software and Facilities-** Dhaka Bank always focuses on customer-centric approach, so it focuses on upgrading customer-centric software and facilities to ensure better customer service.
- **Proper risk management culture-** By reaching a huge number of potential customers, Dhaka Bank maintains an effective business line through its 101 branches.
- **Quality Focused-** As the leading commercial bank, Dhaka Bank is backed by quality products and services.
- **Effectiveness of internal control-**The effectiveness of risk management and quality control systems is reviewed annually. The audit committee is confirmed that appropriate steps are taken for any deficiencies identified in the framework

Weakness-

- **Lower media coverage-** Compared to other banks, Dhaka bank has lower media coverage and advertising activities. They tend to rely less on that organization when people don't know about certain organization. Thus Dhaka Bank must plan its unique services properly for advertising.
- **Less efficiency in the review of account opening--** After collecting all the details, the officers must send them to the department named ASU for examination by scanning. Most of the time they are late in evaluating the forms which generate inefficiency in the process of working.
- **Lower satisfaction due to high maintenance cost-** Most customers are unhappy because they need to spend a lot on keeping the account. There is currently an auto system for receiving ATM cards, check books, and mobile banking services, sometimes creating dissatisfaction when a customer is notified of the costs.
- **Less innovative products-** In order to keep up with other popular banks, Dhaka bank needs to do research to introduce innovative products and services that will create more customer satisfaction and loyalty.
- **Less focus on small entrepreneurs-** Dhaka bank is mostly encouraged to provide loans that are sufficiently solvent, but by providing loans they need to encourage small entrepreneurs.

Opportunity-

- **Customer centric Approach-** Dhaka Bank always focuses on providing the products and services to the customers ' ease. Recently, introducing a modern customer-centric core banking solution to cater for customers ' doorstep was a great approach that could be a great opportunity for the bank.

- **Achievements-** The Dhaka Bank's successes in delivering quality service of their excellence can be a great opportunity for them to reach out to the mass people. It can become the leading bank in Bangladesh by expanding its marketing activities
- **Mass Communication-** The Dhaka bank has 101 branches throughout the country and has met an abundance of people that can have a positive impact on the bank's profitability.
- **Government policy-** Various government policies have made it easy for foreign investors to invest in our country. This is a great opportunity for the bank to make quality services more effective.

Threat-

- **Lot more competitors-** There are many more private, multinational and local banks that could pose a major threat to the DHAKA bank. In order to compete against the new emerging banks, proper planning is required.
- **Distinct products offered by the banks-** Nearly all banks now focus on the new technologies for a few days that can be a risk to this business. If each bank focuses on similar products, long-term survival will be difficult.
- **Increasing Default loans-** -- Recently, Dhaka Bank faced a huge number of default loans that could affect the bank's profitability. Combating these threats requires proper procedure through CIB and Proactive strategies.
- **Economic impact-** Bangladesh is not economically stable. Sudden inflation, unemployment and other factors can lead to recession that can influence economic activity. Banks must therefore be well equipped to counter these challenges.
- **Negative capital demand-** Due to any economic and social imbalance there can be negative capital demand that will pose a great threat for the bank.

Thus it can be said that although there are various threats that could affect the Dhaka bank's functions, there is certainly some strength that can greatly impact the bank's functions positively. To become stronger than Dhaka banks rivals, they need to concentrate on their area of power, vulnerability, challenges, and potential. While acknowledging the vulnerability, by concentrating more on the strengths, it can solve those.

Chapter5

Recommendations

5.1 Recommendation for Improving Departmental Operations

Dhaka Bank is demonstrating its excellence in Bangladesh's banking sector. But I've identified some issues that customers and officers are facing by working in Dhaka Bank. I think they can improve their departmental work by solving problems. The recommendations below are as follows:

Introducer in account opening: I've seen this problem facing most of the customer when they come to open an account. More in rural branches than in urban branches, this issue. If this can reduce the customer's problem while opening an account with a proper document.

ATM booths: I believe that Dhaka Bank should increase the number of ATM booths and that customers should not be charged using another ATM booth for banks.

Activation of DBL GO app: There are so many customers interested in using this app, but they have trouble when they want to activate it. And I think that because of its centralized process, the activation process is a bit slow and difficult. If the branch officers are able to activate the customer app, both of them will be more beneficial.

Supporting Staff: Supporting employees is also part of a bank's success. Their involvement also plays a crucial role in a branch's service. I think they need to be more efficient, more self-motivated, and more work dedication.

5.2 Recommendation for Improving Self-performance

I found some of my problems during my internship while doing different activities. And so I have to overcome problems in my future career in order to do better. So there are problems:

- **Communication skills:** I need to learn more tools to communicate effectively with customers.
- **Searching for knowledge:** I've learned a lot, but I think I can learn more. So if I'm looking for knowledge, I have to stay more focused.
- **Set priority:** I have given priority to the work I do quickly and the latter to improve my future career performance.

Chapter 6 Conclusion

A country banks play an important role in a country's economic growth. Banks ' demand is increasing day by day and becoming part of our lives. Banks offer various services to customers in order to meet customer needs. Private banks, in particular, play an important role in service development and innovation. Like other private banks, Dhaka Bank is always trying to provide customers with a better banking solution. It was a great opportunity for me to be an intern at Bangladesh's leading commercial bank. It was full of experience and knowledge that helped me in my caree last three monthsr. And Dhaka Bank's corporate culture is great; from manager to officer everybody is so friendly. Help me always when faced with any problems and try their best to clear my confutation. There's such a great work environment. From the analysis of the entire *industry to self-learning, I try my best to do it properly. Compliance with regulatory guidelines, versatility to expand needs and adaptability to the changing world will make Dhaka Bank more competitive in the future with good governance practices.*

References:

1. *Davies G. & Bank J.H. 2002. A history of money: from ancient times to the present day. University of Wales Press. Retrieved form: <https://simple.wikipedia.org/wiki/Bank>*
2. *Khuda, B. 2019. Economic growth in Bangladesh and the role of banking sector. Retrieved form: <https://thefinancialexpress.com.bd/views/views/economic-growth-in-bangladesh-and-the-role-of-banking-sector-1547220114>*
3. *Habib, S. A. 2018. Banking industry: Bangladesh perspective. Retrieved for: <https://thefinancialexpress.com.bd/views/banking-industry-bangladesh-perspective-1544538692>*
4. *Bangladesh Bank. Financial System. Banks and FIS. Retrieved form: <https://www.bb.org.bd/fnansys/bankfi.php>*
5. *Khatun, F. 2018. Banking Sector in Bangladesh: Moving from Diagnosis to Action. Retrieved form: <https://www.slideshare.net/CPDBD/banking-sector-in-bangladesh-moving-from-diagnosis-to-action-125368584>*
6. *Khatun, F. 2018. Banking Sector in Bangladesh: Moving from Diagnosis to Action. Retrieved form <https://cpd.org.bd/wp-content/uploads/2018/12/Banking-Sector-in-Bangladesh-Moving-from-Diagnosis-to-Action.pdf> |*
7. *Shah, S. A. H. BANGLADESH FINANCIAL SECTOR AN AGENDA FOR FURTHER REFORMS. Retrieved form : <https://www.think-asia.org/bitstream/handle/11540/192/financial-sector-ban.pdf?sequence=1>*
8. *Rashid, M. 2018. It's business: Problems in our banking sector. Retrieved form: <https://www.dhakatribune.com/business/2018/01/25/business-problems-banking-sector>*
9. *Bangladesh Bank. 2018. Banking Sector Performance, Regulation and Bank Supervision. Retrieved form: <https://www.bb.org.bd/pub/annual/anreport/ar1718/chap5.pdf>*

10. *Dhaka Stock Exchange limited. Retrieved form:*

<https://www.dsebd.org/displayCompany.php?name=DHAKABANK>

11. *Annual Report of Dhaka Bank Limited. 2017. Retrieved form:*

https://dhakabankltd.com/wp-content/uploads/2018/06/DBL-Annual-Report-2017_PDF.pdf