

Report on
“Employee Satisfaction and effect of employee performance at
Al-Arafah Islami Bank Limited”

By
Maisha Islam Khan
ID : 20104156

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

Bachelor of Business Administration
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June 2023

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Declaration

It is hereby declared that

1. The internship report submitted is my own original work while completing a 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 that 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

Maisha Islam Khan
20104156

Supervisor's Full Name & Signature

Mohammad Atiqul Basher
Lecturer, Brac Business School
Brac University

Letter Of Transmittal

Mohammad Atiqul Basher
Lecturer
BRAC Business School
BRAC University
66 Mohakhali, Dhaka-1212

Subject- Submission of internship report on “Employee Satisfaction & effect of employee performance at Al-Arafah Islami Bank Limited”

Dear Sir

With utmost respect, I would like to state that under your complete supervision and assistance, I am able to submit my final internship report on Employee Satisfaction and scopes for fresh graduates at Al-Arafah Islami Bank Limited.

This internship report is the result of my 3 long months internship at Al-Arafah Islami Bank, observing and experiencing their employee behavior, way of working, and how the higher authorities treat their employees. Without your kind supervision, it would have been impossible to complete this report.

I am grateful for all your valuable directions and guidance that I followed while working on my internship report and was finally able to complete it.

Thankyou

Yours Sincerely
Maisha Islam Khan
20104156
BRAC Business School
BRAC University
June 12, 2023

Non-Disclosure Agreement

This page is for the Non-Disclosure agreement between Al-Arafah Islami Bank and the undersigned student at BRAC University Maisha Islam Khan, 20104156

Acknowledgement

This report is a reflection of what I have learned in the long 3 months duration of the internship process at Al-Arafah Islami Bank Limited. It brings me immense joy that I could successfully complete this report with full-fledged support from my supervisors. I am grateful that all the knowledge that I gathered from my university and from the practical internship process I tried to implement most of those in this report.

My heartfelt gratitude goes to my supervisor Mohammad Atiqul Basher sir, as he has been a constant support throughout this internship report. He was there to solve all my queries whenever I reached out to him. He supported me with his extensive knowledge and experience and thus advised me on what to do and what not to do. I will forever be grateful for this unbound support.

This report would have been incomplete without my workplace supervisor Rasel Bhuiyan sir, Senior Executive of AIBL Uttara Branch. He made the workplace feel more comfortable for me. I would like to express my utmost respect and acknowledge his support towards me throughout these 3 long months. He made me understand all the rules and regulations and made me familiar with the banking system and its working environment.

Executive Summary

This report is made on employee satisfaction and employee performance at AIBL. This report has been divided into three first. The first part consists of the internship experience at AIBL, student contribution at AIBL, the benefits of the internship, job description and responsibilities, etc. In the second part, this report focuses on the various aspects of the company. For instance their vision, mission, objective, and history of the establishment. Also, it consists of HR practices, recruitment and selection procedure, management system, and many more. Furthermore, this chapter discussed the industrial comparison that has been done through PORTER's five forces model, and a SWOT analysis was done to know more about AIBL's strengths, weaknesses, opportunities, and threats in the industry. Lastly, in the third chapter, we discussed the methodology, literature review, findings and analysis, summary and conclusion, and recommendation. The third part had extensive research-based findings and analysis in order to support the title of the topic.

Keywords - Job description; methodology; recruitment; selection; literature review; analysis

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Chapter 1

1.1 Student Information

Name: Maisha Islam Khan

ID: 20104156

Program: Bachelor in Business Administration

Major: Human Resource Management

Minor: Marketing

1.2 Internship Information:

1.2.1 Period: 3 month

6th February, 2023 - 6th May, 2023

Company Name: Al-Arafah Islami Bank Limited.

Department/ Division: HR Department

Address: Al-Arafah Islami Bank Limited

Uttara, Sector: 4, Dhaka-1230

1.2.2 Internship Company Supervisor's Information:

Name: Rasel Bhuiyan

Position: Executive Officer

1.2.3 Job Scope

Job Description/Duties/ Responsibilities:

I was given the opportunity to know about the general banking system. I also got to gain knowledge about their recruitment and selection procedure.

I got to learn many new things from the experienced employee of the bank. My day-to-day activities would involve issuing credit and debit cards, conversations with customers over phone calls, looking over the forms for bank account opening, and many such things. These 3 months I got to learn how to handle customers, how to deal with their problems and to provide them with solutions at the earliest. Also assisting the employees in their day-to-day activities was a part of my responsibility. I was also given the responsibility of verification letters to verify the account holders' necessary information such as an address, phone number, passport, NID, and many more, and also to seal and sign them in times of need. As the bank is Shariah based so they follow all the rules of the Shariah-based banking system.

During my stay, I got to know about many of the rules and regulations associated with such a banking system. How they make a profit and how they do not involve themselves in the interest system was explained to me.

1.3 Internship Outcomes:

1.3.1 Students' Contribution to the Company :

During my internship, I helped the general banking team with their day-to-day activities. From sorting out different forms to filling them out properly, issuing debit and credit cards, calling customers, and interacting with them. I also helped them with data input and processing.

Besides assisting the employee in their day-to-day activities was a part of my contribution to the company. Also opening a savings account for the customers was a part of my duty in AIBL. Since I worked under my supervisor, I got to contribute a lot to their daily activities. I also did the verification of NID, Birth certificate, and passport in order to find the authenticity of banking information. Moreover, I assisted the customer with all the help they were required to open bank accounts of different types.

1.3.2 Benefits to the student:

Gaining real-life experience is something that I got from Al-Arafah Islami Bank in my 3 months of internship. I have learned so much about the professional world, how to deal with customers, how to be accountable for your part of the job, and many more. Also getting to know about the HRM Policies of a bank is something I learned from the experienced employee.

Being punctual and sincere, finishing the task in the given time period, and having the skill to follow the directions provided by the seniors all benefitted me and prepared me to be professional in the workplace.

While working I observed the employees and their behavior in the workplace which led me to think about their satisfaction and performance in the workplace. This is how I decided to write my report on the predictors of employee satisfaction and how this satisfaction or dissatisfaction has an impact on their performance in the organization.

1.3.3 Problems and difficulties:

It was not always easy coping with all the experienced workers of the bank. I mostly faced difficulties in communicating with the employees as they remained busy all the time. They had little to no time to spare me some time and describe to me in detail all the procedures of the work.

Initially, the work environment was overwhelming for me and it took me some time to mingle with the environment. All the employees were strict in following the rules and regulations as per the Shariah.

While writing this report, I had to face problems as they were not ready to give out their information for the sake of confidentiality. Thus while collecting data for my report I had to face a lot of difficulties.

Also, a three-month internship seems to be a short period to gather some experience and at the same time collect data for report writing. Also since the internship is a very temporary thing thus they were not able to give me access to their software. This seemed to be a great difficulty as without access to their software it is not possible to know about their employee's technical difficulties or shortcomings.

Chapter 2

Company Overview

2.1 Introduction

Objective

The main objective of this chapter is to discuss in detail about Al-Arafah Islami Bank, its differentiated rules from other conventional banks, its HR policies, vision, mission, financial highlights, and many more.

This chapter shall have a detailed scenario of Porter's 5 force model and SWOT analysis to get a better idea of the company's position in the market. We shall also look after the recruitment and selection procedure and the company's other facilities for their employees which affects their satisfaction.

Methodology- For this chapter, I chose both primary and secondary methods to collect data. For primary data, I took an interview with the bank's manager and for the secondary data, I collected all the information from the bank's official website. Hence all the information provided here is authentic and reliable. In the case of salary information and other facilities provided to the employees, all such information was collected from the interview of the manager.

Scopes- The manager of the bank and my internship supervisor were helpful enough to provide me with all the necessary information regarding this report. Also, the official website of the bank was very helpful in terms of collecting data on their financial status.

Limitations- The employees of the bank are always immersed in the burden of work that they were hardly available for face-to-face interaction. They were always engaged in solving customer issues and other internal tasks. Thus, although I wanted to interview other employees, it didn't become possible.

Significance - This chapter carries all the detailed information about Al-Arafah Islami Bank to get an insightful idea about this company. Also, the distinguished features are present in this chapter to get an idea about the market position of the bank. And this chapter will thus help in the next chapter to get a better understanding of employee satisfaction.

2.2 Overview of Al-Arafah Islami Bank Ltd.

2.2.1 Company Profile:

Al-Arafah Islami Bank is one of the leading banks operating fully on Sharia-based rules and regulations. They are quite transparent with their activities and provide customers with detailed information in terms of profit and interest. Al-Arafah Islami Bank has a wide range of services and all those services are conducted by following the directions shown by Rasul (SM). Their various investment policies with different businesses are done by following the Shariah-based rules and furthermore, these activities are monitored by the Shariah Council. This bank upholds its Islamic value in order to create a fair economic system by maintaining an equitable distribution of wealth in society. Al-Arafah is also involved in various philanthropic activities and thus opened an AIBL English medium madrasa and AIBL library. Currently, 4247 dedicated employees (up to December 2021) are working on different branches of AIBL. There are 20 board of directors and all of them are knowledgeable Islamic personalities of our country.

2.2.2 History of Al-Arafah Islami Bank Ltd:

On 18th June 1995 Al-Arafah Islami Bank was established as a private limited company. Many renowned Islamic scholars and businessmen in the country are the sponsors of this bank. Currently, AIBL has 209 branches operating all over Bangladesh following the Shariah-based banking system. Mr. A.Z.M Shamsul Alam is the founder chairman of the bank. AIBL has successfully completed 27 years of banking service across Bangladesh.

2.2.3 Vision & Mission

Vision

To be a pioneer in Islamic Banking in Bangladesh and contribute significantly to the growth of the national economy (AIBL Profile, 2023)

Mission

Al-Arafah Islami Bank has always prioritized the banking system according to Shariah-based laws. They aim to follow the path shown by our beloved Rasul (SM) to get maximum benefits in life here and hereafter. With these motivations from the day of initiation till now they are following all the rules of Shariah when it comes to running the bank in a proper manner.

Next, they always focus on ensuring a great experience for the customers by providing them with the best customer service. They make sure that the growth of the bank is at a steady position and give competitive returns to the shareholder's equity.

They are committed to the growth of the country's economy. All these things are maintained by AIBL only by following the Shariah-based principles of banking (AIBL Profile, 2023)

2.2.4 Objective of AIBL:

The objective of the bank is to become more Sharia-compliant while increasing profit, raising capital and reserve funds, and more investments according to Islamic laws. Also, increasing foreign inward remittance, opening new branches, stable dividend conditions, and developing skilled manpower by imparting training as part of CSR activities are some of the objectives of AIBL

2.2.5 Available Services at AIBL:

Below are the mentioned services that are currently available at AIBL :

- Al Wadiah Current account (CD)
- Mudaraba short notice deposit (SND)
- Mudaraba Savings Deposit (MSD)
- Mudaraba Term deposit receipt (MTDR)
- Monthly installment-based term deposit (ITD)
- Monthly Profit-based term deposit (MPTD)
- Al-Arafah monthly Hajj Deposit (MHD)

- Al-Arafah Term Hajj deposit (THD)
- Monthly installment-based marriage savings investment scheme (MIS)
- Al-Arafah savings bond (ASB)
- Foreign currency deposit (FCD)
- Pension deposit scheme (PDS)
- Cash Deposit waqf deposit scheme (CWD)
- Mudaraba lakhpati deposit scheme (LDS)
- Mudaraba millionaire deposit scheme (MDS)
- Mudaraba (special) pension deposit scheme (MSPDS)
- Mudaraba kotipoti deposit scheme (MKDS)
- Mudaraba double benefit deposit scheme (MDBDS)
- Mudaraba Triple benefit deposit scheme (MTBDS) .(AIBL Profile, 2023)

2.3 Management Practices

2.3.1 Leadership style -

The leadership style of Al-Arafah Islami Bank is like the usual style that is mostly followed by many companies in our country. All the branches have a manager and a second manager who are at the top position of each branch. They follow a strict hierarchy system in their office space. The departmentalization of AIBL picturizes the leadership style below-

- **Operations Wing** - Under this department all of the general banking activities are controlled by an officer, an executive officer headed by an Additional managing director.
- **Investment wing** - In this wing the investment portfolio of AIBL is maintained and directed by the Deputy managing director.
- **International Banking wing** - All the foreign transactions, remittances, and foreign exchange are operated under this wing and are again directed by the deputy managing director.

But as a whole organization, they have a board of directors, Vice-Chairman, Chairman,

Director, and Managing director of several departments such as an Executive committee, Board Audit Committee, and Risk management committee.

The management team consists of 1 Managing Director, 8 deputy managing directors, and a company secretary. Since it is a Shariah-based banking system, they also have a Shariah Supervisory Committee which consists of renowned Muftis and Mawlana from different parts of the country. They are the members of the Shariah Supervisory committee and they are entrusted to direct the bank according to the laws of Islam. They ensure frequent Shariah inspections on all of the branches and find out the failings in order to restore the Shariah in the future.

2.3.2 Organogram -

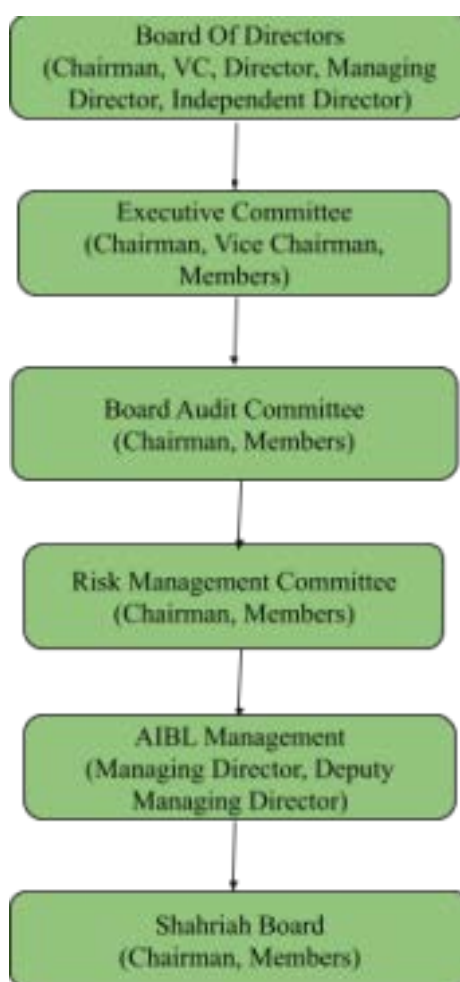


Fig- Organogram of Al-Arafah Islami Bank Limited

2.3.3 The Human Resource Planning Process

The Human Resource Department in any organization plays a significant role in staffing,

recruiting and selection, training and development, performance appraisal, promotion and compensation, and many more. The responsibility of maintaining the employee's side of concern is also maintained by the HR department. The human resource department of AIBL is situated in their main office at the Motijheel branch. They are responsible for all the management departments of different branches. The human resource department of AIBL is highly responsible for their recruitment and selection, salary and compensation, arranging training and developmental programs for the employees, promotional activities, employee evaluation, resource allocation, and many more. The core activity of the HR department of AIBL -

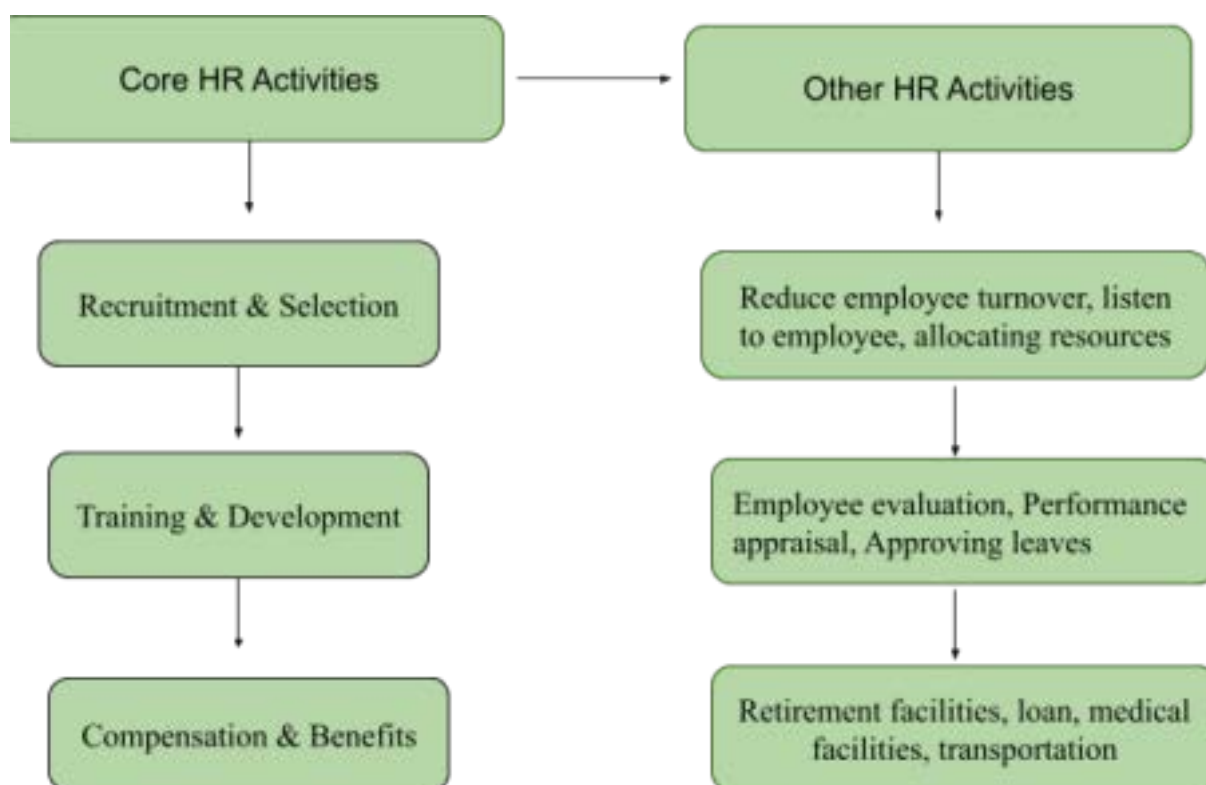


Fig - Activities of HR in AIBL

The human resource department does send their people to different branches on occasion to administer the activities, talk to the employee and note down their problems. The strategic levels of HR of AIBL are long-term and high value-added. They usually opt for long-term strategies and focus on issues that are crucial for business success. At present they have undertaken more training and developmental programs aiming for the improvement of the

performance of employees, focusing on research journals for a better understanding of the functions of Islamic banks which will enrich their employees in many ways (AIBL profile,2023).

2.3.4 Selection and Recruitment -

Recruitment and selection is by far one of the most important tasks for any organization as it involves hiring the right kind of employee for the appropriate position. Organizations need to be extra careful with this task as this process will dictate what type of employee the organization will have which will heavily impact its performance in the future. Generally, the HR department of the organization is responsible for this task.

Similarly in AIBL, the HR department is responsible for recruitment and selection. The recruitment in AIBL takes place in both an internal and external manner. **External Recruitment-** When employees are recruited from outside the organization with new skill sets and experience then it is known as the external recruitment process. There are many advantages of external recruitment such as-

- Employees tend to have fresh skills and knowledge
- More energetic and new ideas to incorporate in day to day activities ●
- Hiring from external sources makes the workplace more diversified ● Scope for the freshers increases and unemployed youths get an opportunity

External recruitment does not happen overnight. First, AIBL needs to look for the perfect channel for the job vacancy. There are many channels right now by which organizations post job vacancies in order to get a maximum candidate pool. AIBL mostly prefers posting job vacancies in newspapers and job websites.

Secondly, the HR department needs to allocate budgets and look for the channel that is most effective, and according to that they allocate their budget to the respective channel. After that, they need to note down the job specifications and responsibilities properly so that the candidates can understand what they are expected of. In short, the diagram below represents the external recruitment of AIBL inappropriate manner-

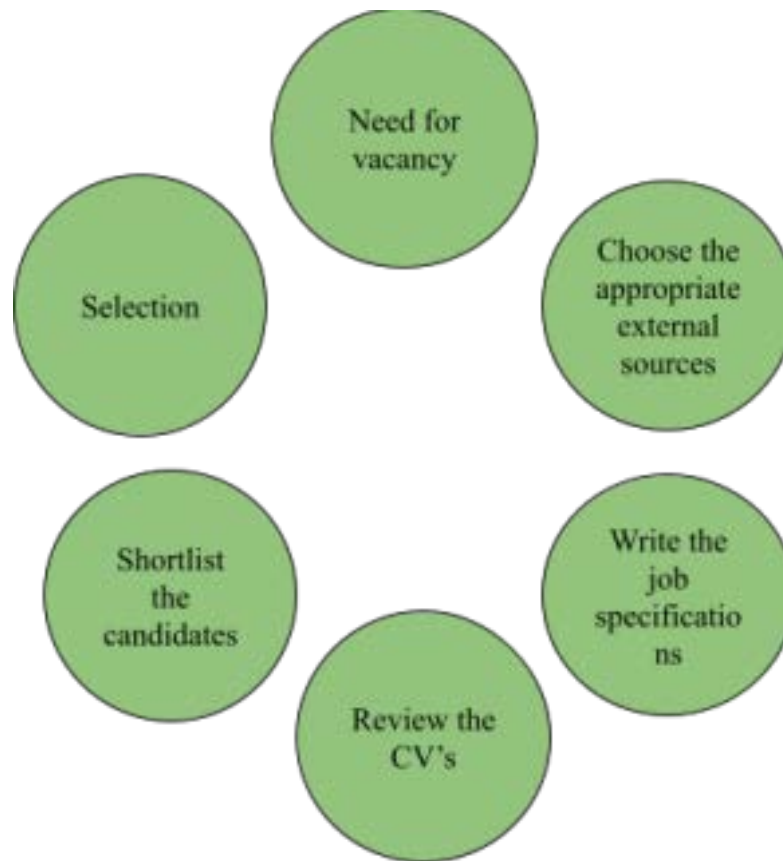


Fig- External Recruitment process of AIBL

Internal Recruitment- When employees are selected from an existing organization for a new job vacancy then it is known as internal recruitment. Generally internal recruitment occurs due to promotion and transfer, job posting, and employee referrals. Internal recruitment does not need much budgeting hence it serves low cost. Usually, this method is more preferable as employers are already aware of the skills and knowledge of the existing employee. Also, existing employees serve with more loyalty than hiring from outside sources.

Selection- The selection process is a rigorous task as it involves narrowing down the candidates after assessing their knowledge by assigning different tests. The candidates who pass both the interview and assessment tasks are then selected. This process of selection usually requires budgeting because if this phase is not planned properly beforehand then it might require more money than expected.

2.3.5 The Compensation System- From the interview of the manager of AIBL of Uttara Branch, it was noted that apart from the basic salary the employees get yearly increments, performance bonuses every 3 years and they have gratuity, provident fund for permanent

employees and retirement benefits. The employees are also given loans, transportation facilities, medical expenses, etc. Apart from the monetary benefits they also arranged non-monetary benefits for their employees which is 10 days of recreational mandatory leave every year. Moreover, they receive festive bonuses, and female employees are given 6 months of paid maternity leave in AIBL.

2.3.6 Training and Development Initiatives - Since employees are considered valuable assets in today's organizations hence organizations now focus more on grooming and developing their employees. Training and development is such an inevitable responsibility of HR that they need to accomplish in order to have knowledgeable and experienced employees for their organization.

AIBL has its own **AIBTRI (Al-Arafah Islami Bank Training and Research Institute)**, where they aim to build skilled, ethical, committed, well-motivated human resources for the development of their banking system (AIBTRI, 2023).

The core values of AIBTRI are:

- a. Taqwa: Imparting the knowledge of the presence of Allah the Almighty
- b. Amanah: To make sure employees are managing the accounts with utmost honesty and integrity
- c. Al-Mas'uliyah: Employees are to be accountable for their actions to the Director General of the Institute and to the Human Resources Division of the Bank.
- d. Al-Adal: All the decisions taken must be for the welfare of the people and company (AIBTRI, 2023)

AIBTRI arranges both yearly and monthly training programs, skill development programs, and seminars in order to increase employee productivity, better management, improve customer satisfaction, and many more. It is not necessary that the training and development provided by AIBTRI is only for the betterment of the organization but it also brings out the confidence in the employees, expands their skill sets, quick promotions, enhanced efficiency, and many more.

2.4 Marketing Practices -

2.4.1 Products and Services Offered By AIBL - Currently 5 types of services are offered by

AIBL they are -

- Deposit
- Investment
- CMSME Banking
- Foreign Trade
- Treasury Services

Under each service, there are vast categories of services provided by AIBL which are listed below

1. Deposit - Under this service, they provide 26 other different services for their customers. The sub-services include *Al-Wadia Account, Al-Arafah Monthly Hajj deposit, Al-Arafah Termed Hajj Deposit, Mudaraba denmohor deposit, Mudaraba Shadhin Deposit, Mudaraba Education Saving schemes, Locker account, Mudaraba Ahsan Deposit Scheme* and many others. The main purpose of this service is to provide customers with varieties of deposit options for their benefits in Shariah-based ways.
2. Investment- This service allows customers a variety of lucrative investing options with maximum profit that too following Shariah rules. Under this service, they provide 12 more sub-services, some of which are *Bai Istisna, Bai Muajjal, Bai Murabaha, Bai Murabaha TR, Foreign bill purchase, Bai Salam*, and many more.
3. CMSME Banking - The CMSME products of AL-Arafah Islami Bank are - *Al-Arafah Women Entrepreneurs, Micro Enterprise Investment Scheme, Rural Agricultural Investment Scheme, Small Enterprise Investment Festival, and Small Enterprise investment scheme*. The accessibility of all these services proves that AIBL takes active participation in Micro Small and Micro Enterprise which plays a dominant role in the development and growth of Bangladesh's economy (AIBL profile, 2023).
4. Foreign Trade - The foreign trade transaction of AIBL takes place at its head office. Currently, AIBL has correspondent banking relations with 338 banks all over the world. This bank is maintaining its relationship with international banks like Citibank N.A, Standard Chartered Bank, Habib American Bank, ICICI Bank, Axis Bank LTD, Habib Bank AG Zurich, and many more.

2.4.2 Place - Within the past few years AIBL has managed to grow and develop its service by expanding its area of services. They provide a wide range of services not only in Dhaka but to most of the places in our country. At present AIBL has 201 branches and 26 authorized dealer branches and one offshore banking unit in cities and the remotest location in our country. AIBL has managed to reach people even in the remotest part of our country to ensure people are getting enough facilities in regards to the Shariah-based banking system. They have ATM services all over Dhaka, Chittagong, Barisal, Khulna, Rajshahi, Sylhet, Rangpur, and Mymensingh.

2.4.3 Price - As AIBL is a full-fledged Islamic bank there is no fixed interest system for them. Usually, the depositor has to bear both loss and profit equally like that of the bank. Nevertheless, the return will always be less than any other interest offered by conventional banks.

2.4.4 Promotion- AIBL usually like other Islamic banks doesn't go for any promotional activities. AIBL does not offer any privileges like offers on certain dining restaurants, shopping malls, entertainment, and healthcare. Most banks like BRAC Bank, Eastern Bank, LankaBangla, Standard Chartered, etc provide such privileges as part of their promotional activities.

2.5 Industry and Competitive Analysis

2.5.1 SWOT Analysis :

SWOT Analysis helps us to understand a company's strengths, weaknesses, opportunities, and threats. It gives us a picture of the company's present situation and in future which steps they should follow in terms of surviving in this competitive arena Now we shall look at AIBL's SWOT analysis

a) Strength-

- Since AIBL is one the leading Islamic banks in Bangladesh and their target customer is also specified which is people who do not want to get involved with interest. Thus AIBL gets to grab all the attention of the target customer.

- People with an Islamic mindset tend to open a bank account at AIBL and other Islamic banks
- Dedicated employees are another strength of AIBL. This is something that I have witnessed myself during my 3 months long internship. I have seen the employees maintaining all the rules and regulations of the bank and also they keep the environment of the bank healthy by practicing the rules of Islam.

b) Weakness -

- Cannot provide high interest compared to other commercial banks. Thus cannot provide higher profits to the customers.
- Lacks advance technology
- The environment of the bank is not of a high standard compared to other private banks
- The promotional activities is not up to the mark
- They are not associated with any MFS (bkash, nagad, rocket, etc) like other banks such as BRAC Bank, Eastern Bank, Agrani Bank, City Bank, IFIC Bank, Dhaka Bank LTD, and many more. This ultimately becomes a hassle for the customers of AIBL .
- Some of the customers complained about not getting a notification upon each transaction which means they have some sort of technical issues.

c) Opportunities

- AIBL should associate with MFS by maintaining all the Sharia-based rules. This will be helpful for the customers.
- Technical issues can be solved by hiring experienced IT people.
- Proper promotional activities and letting people know about their existence, offers, and services might be a good option to expand more.

d) Threat-

- There are many high-interest paying banks such as BRAC Bank, Standard Chartered Bank, Pubali Bank, The City Bank, and many more

(Mutaza.HM,2022).

- Banks like BRAC Bank, Lanka Bangla, and EIBL constantly offer promotions, discounts on restaurants, and shopping, and people actually wait for such opportunities.
- The number of employees per branch seems quite less and might directly affect their efficiency of work.
- Apart from AIBL, there are other Islamic banks currently operating in Bangladesh. Thus AIBL also has a huge number of competitors in the market.

2.5.2 Porter's Five Forces analysis :

This model helps us to make a comparative analysis based on the industry's activities. How the industry is doing, which company is leading in the industry, all these questions can be analyzed by this model. The 5 forces are given below

1. **Competition in the industry** - Although the banking industry of our country comprises both a Shariah-based banking system and a non-Shariah-based banking system, the number of banks following a Shariah based system is less than the other type of banks. It is noteworthy to mention that at present there are 10 full-fledged

Islamic banks and AIBL is one of them. After seeing the demand for Islamic banks among the common people and the mentionable growth in the Islamic banking sector, 9 other renowned conventional banks such as City Bank, AB Bank, Dhaka Bank, NRB Bank, Premier Bank, and many more, also opened an Islamic branch in their banking system. Thus we can notice fierce competition in the banking industry to remain ahead of one another (Bangladesh Bank, 2022).

2. **New entrants Threat in Industry** - Banks are always trying to solve their customer's problems and want to be accepted by all types of people. People preferring Islamic banks now can also go to banks such as Shonali Bank, Janata Bank, Agrani Bank, Mercantile Bank, One Bank, Meghna Bank, and 8 other conventional banks as they

now have Islamic windows in their banking system (Bangladesh Bank,2022). The addition of such a new system is definitely an added advantage for conventional banks but it does possess a threat to the full-fledged Islamic bank.

3. **The threat of existing substitutes** - As fierce competition exists between the full-fledged Islamic bank itself and the other conventional banks that also opened an Islamic branch, it sure poses a great threat to AIBL. If we look at the total deposit rate for the time period January-March, 2022 we will notice the deposit rate for full-fledged Islamic banks is 10.92% whereas for the conventional banks with Islamic branches, it is 18.88% (Bangladesh Bank, 2022). This is just one example out of many that full-fledged Islamic banks are posing more threat than the conventional ones that have Islamic branches rather than the Islamic banks themselves.
4. **Bargaining power of customers** - Customers are always at the root of any service or product. It is needless to say that the number of Islamic banks and Islamic branches has increased tenfold only due to the demands of the customers. After observing the huge popularity of full-fledged Islamic banks and the desire of customers to invest in a Shariah-based banking system, the conventional banks of our country came up with Islamic windows and branches to gain more acceptance from the customers. AIBL stands in the 4th position (9.62%) in terms of the highest share of deposits in the full-fledged Islamic banking sector. Islami Bank Bangladesh Limited came first (35.26%) followed by First Security Islami Bank Limited (12.08%) and Exim Bank (10.43%) Ltd who came in second and third position respectively (Bangladesh Bank, 2022).
5. **Bargaining power of Suppliers** - Usually the suppliers of banks supply them with automated tailor machines, other types of machinery, IT consultants, labor force, marketing agents, etc (Indiasty. M.C, Mwangi et. el, 2014). The power of suppliers thus includes the high price of the equipment which can be a loss for the bank.

2.6 Summary and Conclusions :

With today's growing technological advancement AIBL should incorporate more technical stability in their banking system. As mentioned earlier they lack technological advancement

which is an issue for the customers. Although AIBL stands in 4th position in terms of share of deposits it still has to face a lot of competition from other banks. While they are in a good position among the 10 full-fledged Islamic banks, they are lagging behind in terms of other conventional banks who are also taking part in the market by opening Islamic branches and Islamic Windows. From the organogram, it has been noticed that AIBL has all the male director bodies in their board of directors which shows the absence of female empowerment in their organization. From my experience of a 3 month-long internship in the Uttara branch, I also noticed a very small number of female employees working in the bank. However, the training and development initiatives by AIBL is noteworthy also the rule and regulations that they strictly follow to maintain their bank according to Islamic Shariah.

2.7 Recommendations :

While AIBL is performing in an impressive manner still there are some areas where they need improvement. By analyzing their strength and weaknesses, their position in the banking industry, here are some of the recommendations for AIBL –

- AIBL needs to participate in promotional activities like other conventional banks. They need to offer privileges for their premium customers in order to retain loyal customers.
- Most of the banks are linked with the MFS currently due to vast usage by the population. But AIBL does not have any association with MFS and it becomes difficult for the customers of AIBL to transact money sometimes. That is why they need to incorporate MFS such as bKash, Nagad, Rocket, and Upay for the greater reach of the customers.
- AIBL should employ more employees with technical knowledge so that they do not lag behind in terms of technical issues.
- Since the number of female employees all over the AIBL is considerably low in comparison to other banks, they should consider hiring more female employees and making the workplace more diversified. We all know a diversified workplace in

today's world is a must and it also helps us in terms of teamwork, tolerance, and respecting others' opinions and cultures.

- AIBL should offer intensive internship programs to fresh graduates so that they can also get some fresh ideas and cope with the modern world.
- They should consider making the bank environment more pleasant as other private banks have a considerably decent environment that can uplift the mood of the customers.

Chapter - 3

Project Part

3.1 Introduction :

Employee satisfaction is a very crucial aspect of any organization. It is the employees that work day and night that make an organization achieve its position in the industry. Now it is a matter of question that what actually makes employees satisfied and why is it very important. First of all, employee satisfaction depends on a number of variables such as salary, work environment, mental health, management style, colleagues, incentives, and many more. The reason why employee satisfaction is so important for an organization is that this satisfaction or dissatisfaction drives the employee's ability to perform in that organization.

When an employee is dissatisfied, it is natural that his/her performance will deteriorate which will have a direct impact on the organization's growth. Similarly, if an employee is satisfied, he/she will be highly motivated to perform well and will also show dedication toward his/her work

In this chapter, we shall look into the interviews and questionnaires that were taken by me from the AIBL employees to further understand their satisfaction level and what is driving their performance at AIBL. A thorough research and interview were taken of the Manager, officers, and executive officers in order to get more insights for this paper.

3.1.1 Literature Review :

In this section some of the previous studies will be cited that are relevant to the subject of this report.

- a. *Opportunities for career growth and development*- In today's diversified world it is

really crucial to keep the employees up to date by providing them with the necessary training and developmental activities (N.S. Chaudhary and P. Bhaskar, 2016). For achieving a competitive advantage and uplifting the employees' performance every organization should arrange developmental or training programs that will help the employees in their career growth (N.S. Chaudhary and P. Bhaskar, 2016). Many employees understand the importance of a training or developmental program and would like to excel in their careers by achieving a promotion or increasing their salary. (Dillich, 2000)

- b. **Compensation and benefits-** The term compensation can be defined as the amount of reward that a worker expects from his/her job (A.Sageer et al.,2012). A sense of satisfaction should arise among the employees in terms of compensation and benefits when compared with those outside of the organization belonging to the same industry (A.Sageer et al.,2012). Benefit programs can mean a lot to employees more than any traditional form of health insurance or retirement program, as it drives a sense of respect, value, and appreciation among employees who are interested in actually making a difference in the organization (S.Iqbal et al.,2017).
- c. **Potential working hours-** Working hours and working time arrangements are key elements of working conditions and determine the possibilities for employees to balance work with their other life spheres (S.Wanger, 2017). The working hour is quite important in terms of employee satisfaction as it is directly connected with work-life balance. The working hours in an organization have a direct impact on a person's personal life. Thus satisfaction with working hours is also related to the way how working time and personal time is managed (S.Wanger, 2017). Hence it can be said that if the person has autonomy in working hours and can manage work-life balance properly due to flexible timing the employee gets satisfied (S.Wanger, 2017).
- d. **Organizational culture-** Organizational culture reflects what the organization promises, its goal and objectives, and its way of doing work bounded by policies. A factor of fun or enjoyment at the workplace may be helpful to increase job satisfaction among employees (S.Iqbal et al.,2017). Under the organizational culture also falls the work environment as the policies practiced in an organization reflect how rigid or flexible the working environment is. Employees are highly motivated and satisfied with working conditions that provide a safe space and a flexible environment. Also, a neat and clean working space, well-ventilated air conditioning room, working

methods, tools, and equipment falls under the category of a healthy working environment. (A.Sageer et al.,2012).

3.1.2 Problem Statement :

The current scenario of AIBL is quite different from other conventional banks. What I have noticed during my stay is the employees are quite reluctant to use any new technology, they are mostly seen as very busy with customers and accounts, and they hardly have any time for any other self-developmental work.

Overall observing this situation, I wanted to address their employee satisfaction level and how it was impacting their job performance. This is because there is immense scope for increasing employee satisfaction at AIBL which will surely improve their job performance in the future.

The gap of this research is to find which predictors of employee satisfaction need to be looked upon by the organization in order to improve their performance and groom them for the latest banking environment.

3.1.3 Objectives :

The main objective of this research paper is to find out the predictors for employee satisfaction at Al-Arafah Islami Bank and thereby discuss how employee satisfaction has a positive impact on employee performance.

Specific Objective -

- a. To define the predictors of employee satisfaction of Al-Arafah Islami Bank.
- b. To find which predictors are most important in playing a role behind employee satisfaction.

- c. To find the organization overlooked which predictors actually played a significant role in employee satisfaction
- d. To prove that employee performance is directly impacted by employee satisfaction.

3.1.4 Significance :

The significance of this study has two important sides. First the employee perspective second the impact on the organizations. This whole study is based on finding the predictors of employee satisfaction and proving that employee satisfaction has a direct impact on employee performance which the organization is ultimately benefited from. This study also focused on the shortcomings of the organization in areas where they lacked emphasis on the predictor that could satisfy the employee.

Therefore this study not only helps the employee to know what they want or what can improve their performance but also the organization to be aware of their failings and work on them so that their employees are satisfied and perform better for the organization.

3.2 Methodology :

For this research report the population of the study will represent the junior and senior banking officers, executive officers, and managers who are currently working at Al-Arafah Islami Bank Uttara Branch. A questionnaire sample required to collect at least 30-40 responses will be distributed via email. And after retrieving the responses they will be analyzed on the basis of validity. The responses that will be valid only be used for this research purpose.

Study Tools and Data Collection- For this paper I decided to go for 2 types of study tools which are theoretical tools and practical tools. For the theoretical part, various credible books and journals that were recently published and are relevant to my study will be

considered. And for practical tools, all the practical ways to analyze data will be considered

For the data collection method, there will be 2 methods followed extensively which are primary and secondary data. Secondary data will include all the related and published books and journals and for the primary part, a questionnaire is designed to find the results and objective of the study.

The questionnaire is designed in such a way that the first part will consist of the demographic information of the employees such as (age, gender, and work experience). The second part will consist of the employee's positive or negative responses towards certain variables (salary, working hours, work environment, management). And the third part will be focused on employee performance based on their satisfaction and dissatisfaction.

3.3 Findings and analysis :

For the first part of findings and analysis I interviewed 2 persons from top management and 2 employees. Although it was an anonymous interview they agreed to disclose their year of experience and gender. The interview was on a one-one basis. It took almost 30 mins to interview each one of them. There were some questions that some of them were hesitant to answer hence for their privacy policy those information will not be used in this report.

On the other hand, for conducting this survey I had to take permission from my supervisor and he then helped me in distributing the questionnaire among the employees. With his help, I was able to collect 45 responses. Since the employees are not very technologically friendly they were reluctant to fill out the online survey thus I had to conduct an offline survey. It took me almost 3 weeks to get 45 responses. As I mentioned earlier, the employees are very busy and they always have to immerse themselves in their work.

3.3.1 Outcomes of the interview :

1st Interview outcome

Male

Experience - more than 15 years

- **Job security** - When asked about job security of the employees of AIBL the top management said that almost all of their jobs are of permanent nature. Which means they do not hire any part time or contract based employees. He also mentioned the lower turnover rate at AIBL. Employees working at AIBL do not get termination without severe causes.
- **Promotion & Bonuses-** The top management of AIBL informed me that about 95% employees get promotion at AIBL in Uttara Branch. Also promotional activities are carried out every 3 years. Also the employees are given festival bonuses and an increment on the percentage of salary every 1-2 years. When an employee proves to be efficient in his/her current position only then that person is given a promotion.
- **Non-monetary Remuneration** - “A recreational leave of 10 days is mandatory for every employee per year”, said the top management. AIBL should arrange transportation, medical facilities also for the employees .
- **Training and Development Practices-** Normally training is provided to the new joiner to get an experience and learn about the work. It is done by making him/her observe the experienced employee and then implementing the learning. Furthermore skill development training is also provided but did not mention what type of skills development are focused. Besides the monthly seminar symposium, a circular monthly brief takes place almost every month.
- **Ratio of male and female employee-** When asked about the discrimination between the male and female employee ratio he answered that AIBL is an Islamic Bank. It is a Shariah based bank hence does not support female employees working. Previously

AIBL did not have any single female employee. But recently they have started recruiting some female employees too with certain guidelines for dressing code. He also mentioned that although the female employees are very less in number still he is always cautious about their needs. There is a separate female prayer room, rest room, washroom at AIBL Uttara Branch. Moreover 180 days paid maternity leave is given for the expecting mothers. Also he tries to have a one-on-one conversation with female employees at least once a week to know more about their problems.

- **Mental health of the employees-** When asked about the mental health of the employee he said that their mental health is given importance. But what types of steps are taken for this was not mentioned by him.

2nd Interview outcome

Male

Experience - 15 years +

- **Relation with the employees -** During my 3 months internship period I did notice him going from desk to desk of the employees and conversing with them about their work and a little chit-chat about their health and family. He said this method helps him to be updated about his employees wellbeing. Instead of getting a report from other authorities he finds this was easier to communicate with his employees. He believes this is a better way to bridge the gap between the employees and him.
- **Work environment-** When asked about the work environment he said that because of being a Shariah based bank the work environment is also influenced by the islamic thoughts and ideologies. All the employees are encouraged to pray with their fellow employees in Jamat. He believes this way a peaceful and good relation exists between the employees. Furthermore employees are also encouraged to follow Islamic ideologies in their activities and business. To sum it up all he wanted to say was the work environment at AIBL promotes unity and fraternity among the employees. Also the work environment is safe for their female employees as they are always encouraged to report any sort of mistreatments towards them directly to the top management and severe actions including termination is the outcome of such actions.
- **Working Hours -** Like all other banks their working hours are the same 9 to 5. Normally no opportunity for overtime. He informed me that they are strict with their

working hours. All the employees have to be present at their desk sharp at 9pm and if there is any valid problem in that case their excuse is entertained.

- **Recreational activities** - He informed me that AIBL arranged a yearly picnic for their employees as a part of recreational activity. Other than that there is no sort of recreational activity as he did not mention any other.

3rd Interview Outcome

Male

Experience - 5-7 years

- **Work environment** - When asked about the work environment this employee mentioned that more space is required as it becomes easily crowded with few customers. Also the air conditioning system is not good enough. Customers keep on complaining as there are no sufficient sitting arrangements for them because the place can not accommodate too many people.
- **Physical and mental health** - This employee complained of having frequent severe headaches from long exposure to screen. Also the workload is so much that they can barely get up from their chair as a result gets easily fatigued. Work time is mostly stressful as we have to handle as many customer as possible
- **Decision making process** - When asked if employees at AIBL take part in decision making he replied in negative. Only the top management is allowed to take decisions and implement them. As AIBL follows a hierarchical and authoritative management system hence all the important decisions are taken by themselves. No employee is involved in this task.
- **Relation with the top management in the branch** - Although he said that top management had a friendly relation with them, they always encourage their employees but still their authoritative figure is what keeps the gap between the employees and management distinct.
- **Salary and bonuses** - He informed me that the bonuses they get in festivals is justified but due to the economical inflation the salary is less. Even though they get an yearly increment still that does not do justice as every year the cost of standard of living is

also increasing.

- **Job Security** - When I asked him what means job security to him he said about the AIBL's low turnover rate, internal recruitment that leads to promotion, no option of outsourcing.
- **Promotions and Compensations** - He mentioned that in the last 5 years of his work life at AIBL he got promotions and was also transferred from Motijheel Branch to Uttara Branch. Also yearly increment and performance bonuses are given based on their efficiency. Besides there are gratuity and pension programmes for the employees.

4th Interview Outcome

Female

Experience - 5-7 years

- **Work Environment** - The work environment is especially important for a female employee when almost 90% co-workers are male. When asked about if she feels comfortable with this type of work environment her answer was positive although she suggested AIBL should recruit more female employees in the future. She said that she feels safe at her work place. Besides that, her other male co-workers also treat her and other female employees with utmost respect. She also added that, it's been almost 6 years now at AIBL but she did not notice any type of harassment or inappropriate behavior from any of her co-workers. Although she kept on insisting that she and her other fellow female workers would have felt more comfortable if the ratio of male and female workers were equal.
- **Job Security** - According to her, job security means to have a permanent position in the workplace. Like others she also mentioned about the lower turnover rate at AIBL. ●
- **Wages and incentives** - The yearly increment system is good but does not justify the position. Also the salary seems a little bit less compared to similar industries. ●
- **Relation with the top management with the branch** - About the relation with the top management she said that not too friendly and too strict. They have a very formal

relationship.

- **Promotions and Compensations** - When asked about promotion she said she did get a promotion in the last 5 years and about the compensation she said AIBL should arrange a permanent transportation system for the employees living far away.
- **Physical and Mental health** - She said that the same type of work load every single day is very tiring and stressful. Sometimes she even gets bored.

3.3.2 Thematic Analysis :

For the interview 2 persons from top management and 2 persons from the executive department were chosen, among them one was a female employee. In some variables the management and employees opinion did not match. Which indicates a clear communication gap between the management and employees. Now we shall look into the differing opinions of both the groups.

1. About the Job security both the employees seemed satisfied as both of them knows that AIBL has lower turnover rate. Also AIBL most of the time does internal recruitment which gives them another sense of security as they know they will not be replaced rather they might have a chance of promotion. Similar thoughts were shared by one of the top management. He also agreed that these factors drive job security in AIBL employees.
2. About mental health the top management did not provide any solid information. But when discussed with the employees , both of them reported to suffer from some physical and mental stress. Thus top management needs to address this situation after discussing with the employees.
3. Next comes the relation with the top management where both of the employees gave

almost neutral responses. They might want to say they cannot often share their problems properly due to lack of encouragement from the top management. Although

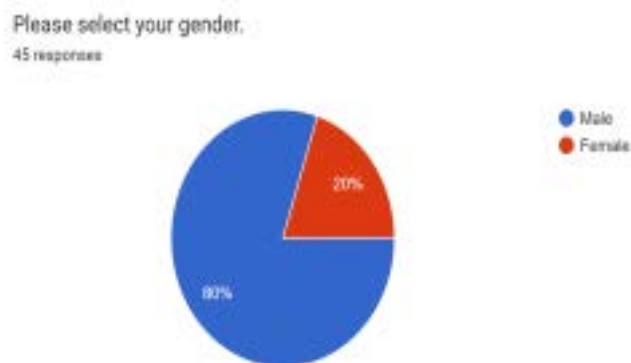
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one of the top management employees reported that he keeps a very close update of his employees by visiting their desk everyday and asking about their health and work condition. Since here we can see a disagreement, once again I would suggest the top management to increase the communication and make it easier to communicate with the employees.

4. We all know how important it is to take opinion and involve employees in decision making of the organization. This helps the management to know more about the employees, their problems, and get innovative ideas. But AIBL does not seem to involve employees in such things. As both the employees' answers were negative. Hence I think if employees' opinions are prioritized and their ideas are taken into consideration a lot of the problems of the employees will be solved.
5. As none of the employees seem to be happy about the salary , it could be because of the increased prices of necessities or other reasons, so the company should take this matter seriously.
6. Although one of the employees figured out some problems with the work environment such as not enough space, a bad air condition system and many more . While the other employee who was female seemed to be quite satisfied with the work environment , what mattered about the work environment was how she was treated by her colleagues and how safe she felt in her work place. Thus it can be said that different things matter to different people and management should also see employees as different human beings with different choices. Only then employees will feel they are being heard.
7. The training and development programmes of AIBL somehow lacks to develop new skills in employees as mostly they are trained only on their job nature.
8. After analyzing all the aspects, observing the employees behavior and result of the interview it could be said that people's job satisfaction varies according to gender, age, needs and many other things. As I mentioned before, most of the employees working at AIBL are mid-aged so for them having strong job security, a decent salary with incentives, and a moderate working environment is enough to satisfy them. As AIBL's workplace is not diversified enough which means their work place lacks young fresh graduates thus it is difficult to get a variety in result.

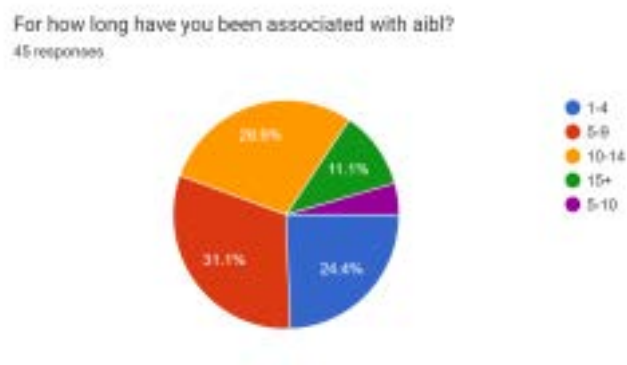
Now we shall look into the survey results that was conducted on AIBL employees and it was an anonymous survey .

3.3.3 Survey :



The ratio of male-female ratio at AIBL is not the usual scenario of today's workplaces. There is a huge difference between the male-female employee ratio and when asked about this difference the manager at AIBL of the Uttara branch informed me that there was a time when AIBL did not recruit any female employees at all. And the reason behind this is the Shariah rules. As Islam mostly encourages women to stay at home thus they did not recruit any female employees until recent 10-15 years when they started recruiting female employees. Still, the number is so low compared to other banks, but AIBL does not think that recruiting fewer female employees is a negative aspect for them or is hampering their work

environment.

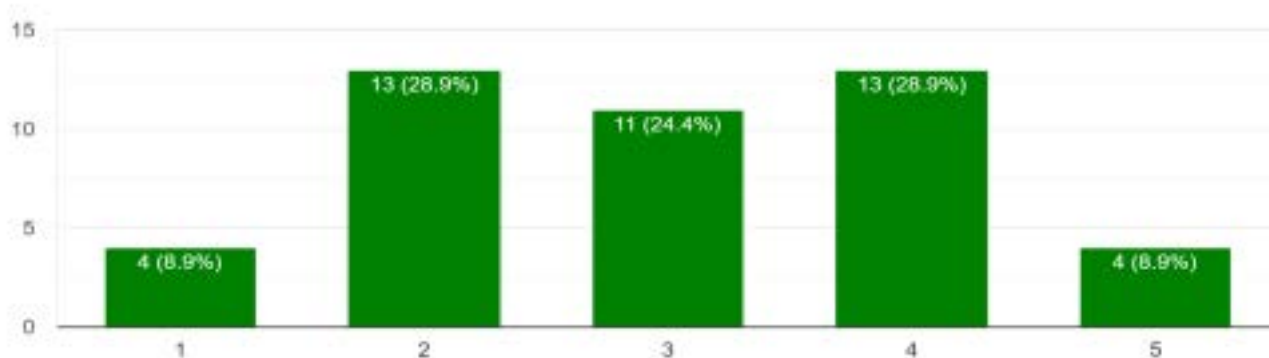


From this, we can observe that most of the employees at AIBL of Uttara branch have been working here for quite a long time which can indirectly impose their likelihood of the workplace or loyalty. 31.1% of employees have been working at AIBL for 5-9 years and 28.9% of employees have been working at AIBL for 10-14 years.

While 28.9% of employees disagreed with this, the other 28.9% agreed that they would stay

I usually like to stay at work rather than enjoy my leisure time

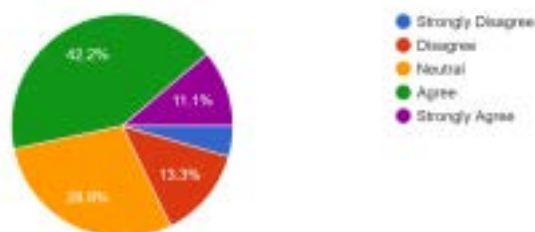
45 responses



at work rather than enjoy leisure time. But we can not ignore the employees who voted for neutral which is 24.4%. This means mostly people do not like to work in their leisure time, which again indicates employees do need leisure time to stay motivated at the workplace.

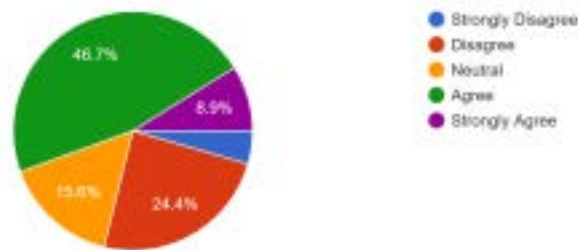
I love my present work more than any previous job.

45 responses



This is a very important aspect to consider. 42.2% of employees agreed that they love their present work at AIBL more than any previous job. This also indirectly implies that this percentage of employees are actually satisfied with their job. But we cannot ignore the employees who chose neutral (28.9%) as this shows their lack of ability to decide what they really want and what will make them happy at their present workplace. Also, 13.3% of employees and 4.4% of employees chose to disagree and strongly disagree respectively. Although the percentage might seem really small, AIBL should figure out what problems they are facing here that made them choose their previous workplace over the present workplace.

Overall I am satisfied with my job at AIBL
45 responses



While the majority of employees agreed to this we shall look into the percentage of people who disagreed with this statement. 24.4% of employees are not satisfied with their job at AIBL. This requires the undivided attention of AIBL authorities as these employees are not satisfied with their job. Their productivity at the workplace can highly be hampered which again will have a direct impact on the organization. At first, the authorities of AIBL should detect this group of employees who are not satisfied with their job, then they should find out the reasons behind their dissatisfaction and try to come up with a solution according to the varied issues of the employees.

The management of AIBL is very efficient
45 responses

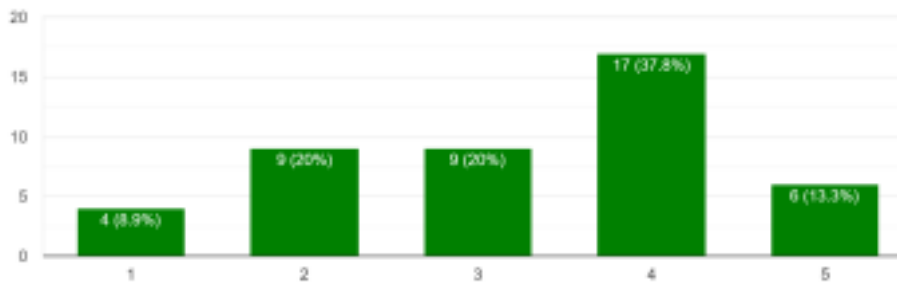


33.3% of employees agreed that the management of AIBL is very efficient and 24.4% strongly agreed with this statement. A very small percentage of employees strongly disagreed with this statement but a considerable number of employees (22.2%) disagreed with this statement. This group of employees' feedback should be taken in order to make the management of AIBL more efficient.

It is quite evident that the percentage of employees who disagreed with the management's

The management of AIBL is prompt at solving my problem.

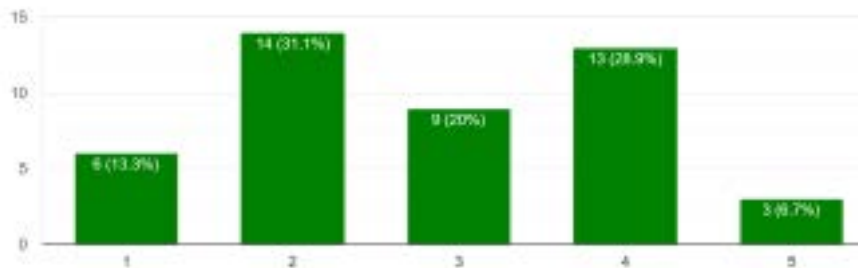
45 responses



efficiency are also disagreeing in this aspect. Once again these employees need to be found out and try to solve their problems if they are facing any. On the contrary, a high percentage of people 37.8% have agreed that the management of AIBL is prompt at solving their problems.

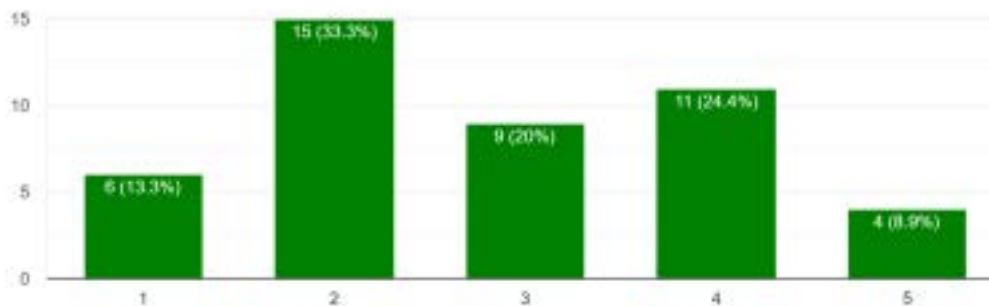
The management always recognizes my work and rewards me accordingly.

45 responses



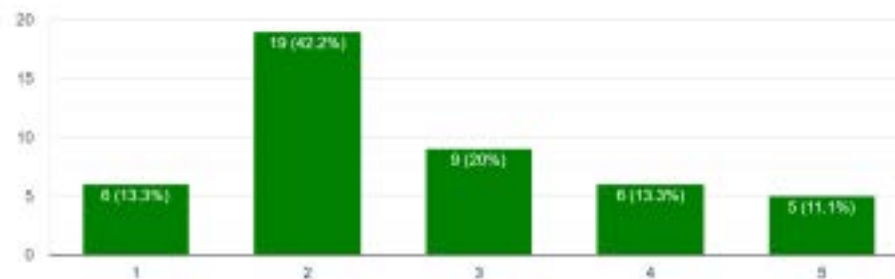
The highest percentage of people who disagreed with this statement actually implies that even though the AIBL management is prompt at solving their problems or listening to their queries, they are lagging behind in recognizing the employees' participation. This can have a great impact on their mental health as we all know appreciation and rewards from the workplace is what keeps us going. Since 31.1% of employees disagreed with this, AIBL authorities need to train their management well in this aspect. So that in the near future, they actively appreciate and reward the employees accordingly and this will keep them satisfied and motivated.

Overall, I am satisfied with the management style of AIBL.
45 responses



We can reach the conclusion that the majority of the employees of AIBL are not satisfied with the management style of AIBL. Which means they prefer something different. And AIBL should find out their problems with the management team, and take into account their opinions of what needs to be changed with the managing style of the AIBL.

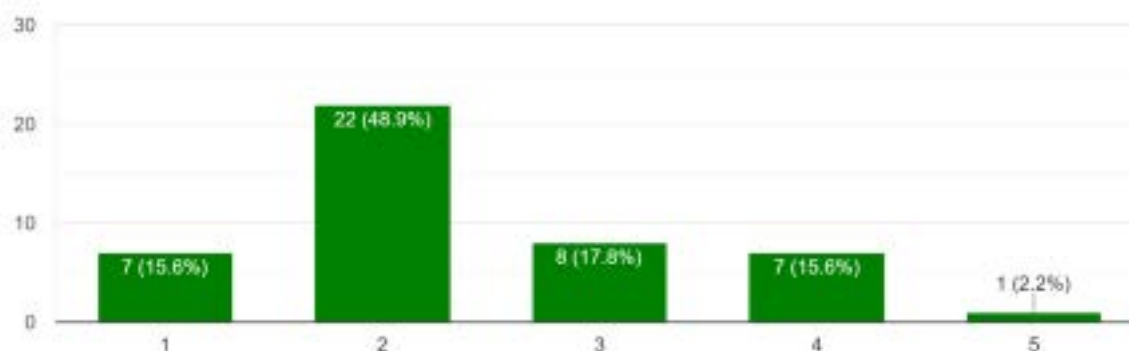
The remuneration offered by AIBL justifies my amount of work done for the organisation.
45 responses



The majority of AIBL employees are not happy with their remunerations. 42.2% of employees think that the remuneration offered by AIBL does not justify their amount of work. Still, they seem to be reluctant to leave their job. This is because their turnover rate is very low. Also, employees working in their branch are mostly of Gen X generation but a small amount of Gen Y generation are also found. These people are mostly concerned with their job security rather than any other features.

AIBL offers lucrative non-monetary incentives for betterment of their employees.

45 responses



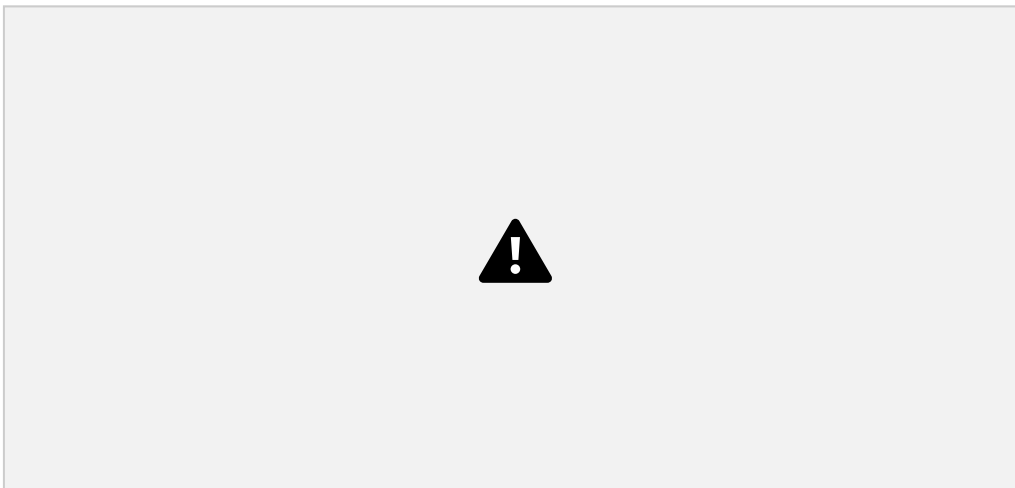
Non-monetary incentives include any form of fringe benefits that are given to the employees in order for their betterment. 48.9% of employees disagreed with this statement. This means AIBL employees are also not satisfied with their non-monetary bonuses. Thus AIBL needs to offer more fringe benefits like transportation for the employees, lucrative gratuities, respectable pension amounts, and many more. They can also offer medical support like other big organizations do in order for the safety and security of their employees.



42.2% of the employees are not happy with their prospects of promotion when compared to similar industries. This means other conventional banks are able to keep their employees satisfied in respect of promotional prospects.



While 26.7% of the employees are not sure about this 35.6% of the employees agreed with this statement. 17.8% of employees disagreed with this statement. Now the amount of workload may vary with the position in the workplace. While some positions are very important and thus have much workload compared to other positions. That is why we got some mixed agreements and disagreements in this regard. But for the employees who actually feel excessive work pressure and cannot spend time properly with family they need to be identified and some of their extra work could be outsourced in order to reduce the pressure from the permanent employee.



Again a very high percentage of people are not sure about this but 37.8% of employees have to also work at home after office time in order to cope with the pressure. This can have extensive mental pressure on the employees and thus can make them more demotivated in the future.



In an organization, there are different attitudes of employees with varied levels of mental strength. While there might be very energetic and enthusiastic employees like 28.9% who can accompany their family to social events even after a long day of hectic work, there are also 26.7% who think due to work pressure they are missing out on social gatherings and events.



From the percentage above it is quite clear that the employees are satisfied with the training and developmental programs that they receive at AIBL. Next comes the second majority (28.9%) of the employees who might have some mixed feelings regarding their training and developmental programs. But 17.8% of the employees are not happy with this hence they

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need to be consulted and asked for their opinion on what other types of training and developmental programs they want for their enhanced skill and growth.

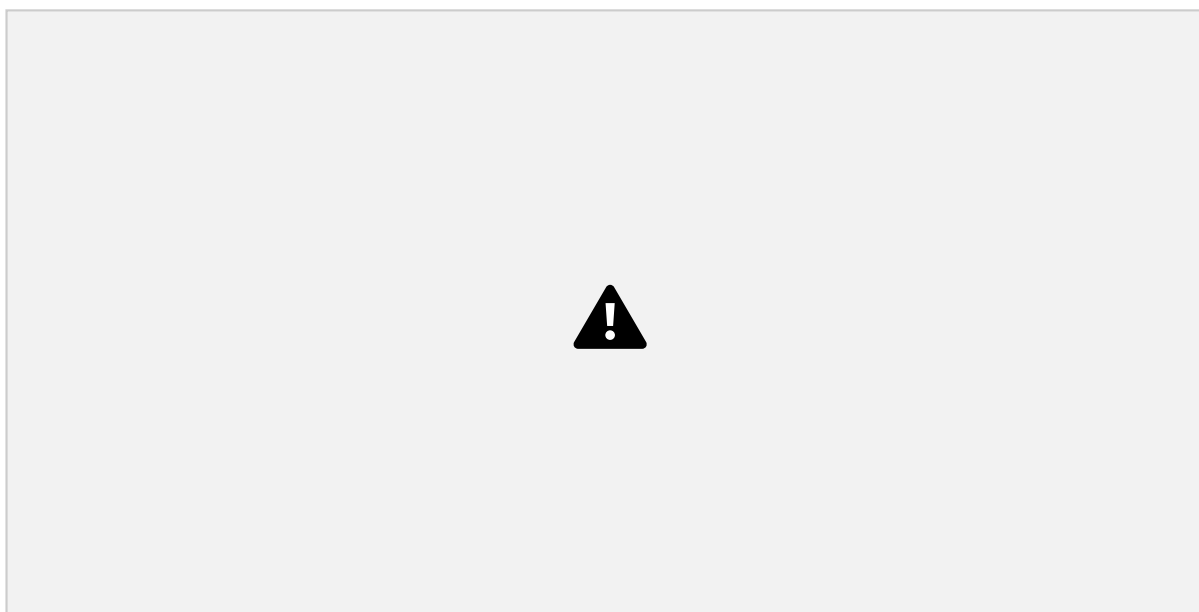


37.8% of the employees have gained some advantages from the AIBL's training and developmental programs but 26.7% of the employees think that they did not get to enhance any skills from their programs. A training and developmental program only becomes effective when the employees are able to truly learn something and can implement them in further career growth. Thus when 26.7% of employees are disagreeing with the above statement this means the training and developmental activities might require some changes and modifications so that employees can learn something from this.



When I took the interview of the manager, he was asked about the mental health of his employees. Where he confidently replied, "Their mental health is taken care of accordingly".

Then I asked him what do you do in order to ensure that he replied “ Once a month he calls out to his employees personally to his desk and has an intimate chit-chat in order to know about them”. I found this method great and maybe along with me 31.1% of employees also thought it was enough. But a majority of employees, 37.8% disagreed with it. Which means they might be suffering from some mental stress or pressure but are unable to speak. Such types of employees often go through depression and frustration that affects their performance in the workplace very dangerously. That is why mental health is given very importance nowadays in many organizations and AIBL should also do the same.



28.9% of employees seem unsure about what impacts their performance at the workplace. This might be because of their lack of knowledge of what they expect and what they are actually worthy of. But the second majority of people, 26.7% of employees, have agreed that their performance is impacted by how AIBL treats them. This means their performance heavily depends on the way AIBL can keep them satisfied or not.

3.4 Summary and Conclusions- From the survey, it is clear that AIBL has many areas of improvement in order to ensure their employee's satisfaction. Although in most of the questions, a mixed review was received which can be a little confusing one is sure there is a communication gap between the employees and the management. While filling out the questionnaire they were repeatedly ensured that the entire process would be anonymous and they can fill the form as what they actually felt. This also indicates they do have a certain kind of fear in them of being completely honest about the organization they are working for right

now.

AIBL needs to create a certain work environment where employees will have freedom of speech, they can give their opinion, and not be in fear of anything. The management should frequently communicate with their employees in order to bridge this gap between them.

Although the turnover rate is quite low in AIBL which gives the employees a sense of security, AIBL should work harder to improve their salary system, promotions and bonuses, non-monetary incentives, and many more.

The HR team of AIBL should monitor the employees properly and look after their mental health. They should keep in touch with the employees as managing the employees is also one of the greatest tasks of HR. They have to be open-minded to listen to their employee's problems and that's when they can ensure proper satisfaction of the employees.

Employee satisfaction drives their performance at work. Since AIBL is quite popular among the Islamic Banks in Bangladesh they should work their way to improve employee satisfaction. Because that's when they will give their best to the organization and an organization that has great employees never falls behind. From my 3 months of experience in the workplace of AIBL, I have observed the employees getting exhausted from a long day of work. Their workplace lacks motivation which is another negative aspect of employee satisfaction.

3.5 Recommendations

- **Not to discriminate** - From the ratio of male and female employees, we observed the number of female employees is extensively low compared to the male employees and it is because of the Islamic Shariah said by the manager of the Uttara Branch. But in today's world, we all know how the development of the economy would have been impossible without the contribution of women. Thus they need to make some justice to the women candidates and also give them an opportunity for employment.
- **Recognition of the work**- As said earlier AIBL management fails to recognize their work hence there is no reward system. AIBL should introduce a rewards system to keep employees motivated. Recognition at the workplace is such a great thing as it boosts an employee's performance, and zeal to work more, and brings in new ideas.

Hence again we can see that a satisfied employee always performs well in the organization.

- **Increased salary plan-** An employee's true hard work pays off when he/she is paid accordingly. Now when most of the employees are not satisfied with their payscale, the pay scale needs to be modified. Another reason why most of the employees are not satisfied with their salary could be because of the recent inflation on daily necessities. Because the prices of everything have increased but the salary is still the same which is a matter of great concern. Thus the salary plan should be made accordingly keeping in mind the economic situation of the country.
- **Redesigning the Training and Developmental programs -** Keeping the employees demand in mind AIBL should modify their training and developmental programs and ensure employees are getting maximum benefits out of this.
- **Flexible work environment-** Instead of following rigidity in the workplace AIBL should work out on some flexibility giving the employees some time for refreshments. This will ensure employees are not getting bored with their work. This is also important to further focus on their work.
- **Easy Communication -** The gap between the employees and the management should be mitigated in order to restore trust in one another. Communication is the key to do that. Management should take steps to ensure easier communication with employees so that they feel free to express their opinions and problems.
- **Work-Life Balance -** Employees should never be overburdened with work. If there are more works some work can also be offshored. But burdening the employees with extra work can prove to be frustrating in real life. And it also hampers one's personal life. Hence AIBL should distribute the work in such a manner that employees can complete the work without feeling pressurized.

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Appendix

1st Interview

Male

1. What type of job security do you provide to your employee?
Ans - Permanent job nature , Provident fund, lower turnover rate
2. What type of non-monetary remuneration do you have for the employees?
Ans - 10 days recreational holidays
3. What is your hiring process?
Ans - Both internal and external process
4. What type of training and development practices are there for the employee?
Ans - Monthly and yearly training plans
5. Why is there a huge gap between male and female employees at AIBL?
Ans - Because of Islamic Shariah .
6. What are the roles of HR in AIBL?
Ans - Planning and budgeting, recruitment and selection, performance appraisal, promotion and turnover rate

2nd Interview

Male

1. What type of relation do you have with the employees?
Ans - Free and friendly
2. What is the type of work environment at AIBL?
Ans - Nurturing Islamic ideologies and working accordingly
3. What type of recreational activity do you provide for the employees?
Ans - 10 days recreational vacations
4. What do you think about the working hours at AIBL?
Ans - Just like any other normal banking hours

3rd Interview

Male

1. Are you satisfied with AIBL's work environment? Do you suggest any changes?

Ans - Work space could be increased, customer service can be improved, air conditioned system needs to be improved

2. Does AIBL's workload affect your physical or mental health?

Ans - Sometimes it becomes really tiring and stressful.

3. Why do you think AIBL is employee friendly?

Ans - To some extent they are employee friendly. But there is a hierarchical gap between the management and employees.

4. Is the training and developmental programme at AIBL effective? Ans -

Effective for the new employees not effective for the regular employees 5. Does AIBL involve employees in decision making?

Ans - No, only top management takes the decision

6. What type of relation do you have with the top management of AIBL?

Ans - Friendly but there is a gap

7. Do you think AIBL's work culture is diversified?

Ans - Not really, because male and female ratio varies

8. Did you get a promotion in 5 years?

Ans- Yes

9. Are you satisfied with your salary and bonus?

Ans - With the increasing inflation rate salary scheme needs to be changed

4th Interview

Female

1. Do you feel safe in this workplace?

Ans - Yes, all the employees are very respectful of each other.

2. Are you able to give your family enough time?

Ans - Mostly yes

3. Does AIBL care about your physical and mental health?

Ans - Not really.

4. Are you involved in any decision making ?

Ans - No. Only top management takes decisions.

5. How is your relationship with the top management?

Ans - they are friendly but authoritative

6. Are you satisfied with your salary and incentives?

Ans - No, they need to change their salary scheme due to increased inflation rate

7. Will you leave AIBL if you find a better opportunity somewhere else?

Ans - Did not answer.