

Intern Report On

Customer Service analysis with the overview of marketing and promotional activities of

BRAC BANK LTD.

SUBMITTED TO

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LETTER OF TRANSMITTAL

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To

Mr.Suntu Kumar Ghosh

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Subject: Internship Report submission

Dear Sir,

With due respect, I have the pleasure to submit my internship report on “Customer Service analysis with the overview of marketing and promotional activities” to partially fulfill the requirements of the bachelor degree under your supervision. It has been a worthwhile experience for me undertaking such a report work to get exposure to the real life of a banking organization. I have tried my best to satisfy the academic requirements.

In my report, I have tried to reflect a partial scenario of the activities of local private banks of Bangladesh. I have used both primary and secondary data and have tried to prepare the according to your instructions. I also confess that this report has some limitations as well because I got limited resources. So I hope that you will be kind enough to consider the limitations of this report.

I would like to thank you for your encouragement and support which inspired me to work enthusiastically. It would be my pleasure to respond to any of your inquiry regarding the report.

Sincerely yours

Joydeep Sinha Roy

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PREFACE

Theory is obviously a big fact for practical implication. But without practical practice theory may become useless. Particularly as a student of Business Administration, we need to practice the theories we learn through every semesters for the better understanding of business & economic environment. Considering the facts, our course instructor has taken the initiative to assign every student to analyze or submitted a report on the basis of my practical experiences that I acquire in the 12 weeks Internship on BRAC Bank.

EXECUTIVE SUMMARY

This report represents the working experience on private sector commercial bank operated in Bangladesh named “BRAC Bank Limited” (BBL) as internship report for BBA program.

BRAC Bank intends to set standards as the Market leader in Bangladesh. It will demonstrate that a locally owned institution can provide efficient, friendly and Modern full- service banking on a profitable basis. The main objective of the study is to conduct an assessment of the implementation of Customer Service Quality and Product Promotional Strategy of BRAC Bank Limited. Besides, the objective of the study is to have a clear knowledge about the service delivery status of private commercial Bank and different types of service they provide to the customer.

In these report different types of assessment tools is discussed that bank used for the assessment of their staff. Different type of promotional techniques that bank use for the promotion of their product promotion also is discussed basis on qualitative and quantitative strategy. Based on their promotional activities some recommendations will also suggest that will helpful to increase the product selling and quality of customer service.

A survey research is also conducted for measuring the customer satisfaction and BRAC Bank position in the Market. After discussing the whole topic a general recommendation has also done on the basis of some problem that identified in the report. After conducting the survey research it can be said customer are more or less satisfied with the bank performance but many customer complaint about over charging price strategy of the Bank. Most of the customer are satisfied of their modernized an excellent idea of their customer service quality.

BBL is a well established Bank in Bangladesh. It is providing maximum services to the customer then other Bank. Entering as a new bank in private banking scenario of Bangladesh, BRAC Bank

is constantly try to cross the obstacles regarding typical business oriented ideas and come up with innovative curtailed to its Consumers need to harvest maximum benefit for them. BRAC Bank Limited is a third generation bank inaugurated on 4 July 2001 with a mission of providing best banking service in the country to enhance economic activity.

BRAC Bank is maintaining its competitiveness by leveraging on its on line Banking Software and modern IT infrastructure. It is the pioneer amongst the local banks in introducing innovative products like SMS Banking, Phone Banking, and Internet Banking and so on.

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PART A

INTRODUCTION OF THE REPORT

1: INTRODUCTION

1.1 BACK GROUND OF THE STUDY

At the very arena of globalization and technological innovation, banking business has become more competitive. To cope up with this, bankers should have huge theoretical knowledge and professional skill as well as technical basis. As a BBA student, I felt that banking is an excellent area to gather some practical knowledge. With a view to develop skilled professional in banking area, BRAC University has undertaken the internship-training program for its BBA students. As a partial and essential requirement of the BBA degree, on authority's instruction I have selected the BRAC Bank Limited, one of the prominent banking institutions of Bangladesh to acquire some practical experience in banking, especially in the correspondent banking program. It would not be out of place to mention here that during the course of the program I had to perform several duties.

1.2 ORIGIN OF THE REPORT

This report is an internship report prepared as a partial fulfillment of requirement for the completion of the BBA (Bachelors in Business Administration) from BRAC Business School Department of BRAC University. The primary goal of the internship was to provide an 'on the job' exposure to the student and an opportunity for translation of theoretical conceptions in real life situation. We, the students, were placed in enterprises, organizations, research institutions as well as development projects. In this connection, after the completions of the BBA program, I was assigned to the BRAC Bank Ltd. for Practical orientation. I chose the topic "Analysis of Customer Service Quality and Product Promotional Strategy of BRAC Bank Limited". For my internship report under the supervision of Mr. Suntu Kumar Ghosh, Senior Lecturer, BRAC Business School, and BRAC University. This report has been prepared on my practical experiences from 10th Jan to 10th April 2010 in BRAC Bank Limited, Gulshan Branch.

1.3 OBJECTIVE OF THE STUDY

General Objective

The general objective of preparing this report is to fulfill the requirement of project work as well as completion the BBA Program through gaining the experience and view the application of theoretical knowledge in the real life. Also find out the Operational Process of the Bank and it's overall Performance.

Project Objective

The objectives of this report are the followings:

- Get introduced with the idea of “Customer Service Quality” in BRAC Bank Ltd.
- Introduce with the Bank service quality assessment tools
- Techniques to win a strong customer base
- To know the expectations of customers of BRAC Bank
- To Know about the Retail Product and promotion techniques of BRAC Bank Ltd
- To Know the BRAC Bank position in the Market
- To know the study's and conditions of overall performance
- To make some recommendations and conclusion to further the development of Retail products of BRAC Bank Ltd.

1.4 SCOPE OF REPORT

The report covers overall banking activities and procedures of the BRAC Bank Limited. This report especially emphasizes on Customer Service Quality and Product Promotion Strategy.

1.5 METHODOLOGY

To make the report more meaningful and presentable, two sources of data and information were used widely. Both primary and secondary data sources were used to prepare this report. The nature of this report is descriptive with some survey or using sampling method. Most of the necessary information has been collected by a questionnaire, officers working in Retail Banking.

1.6 DATA COLLECTION

Both the primary and secondary forms of data are used to make the report more rich and informative.

The details of these sources are gives below:

Primary Sources

- ✓ Most of the information was acquired by discussing with the officers working in the Gulshan Branch of BRAC Bank Ltd.
- ✓ Observation and work experience with different divisional in-charges and suggestions of many executives of the bank.

Secondary Sources

- ✓ Annual Report of the BRAC Bank Limited.
- ✓ Various books, articles, compilations etc.
- ✓ Websites of the Bank.
- ✓ Instruction circular of Head Office, brochures of different banks, newspapers and magazines regarding banking issues, seminar papers and so on.

1.7 LIMITATIONS

Finally I want to talk about my limitations that I had to face during the completion of the report. On the way of preparing of this report, I have faced following problems that may be termed as the limitation of the study.

- ✓ Only three months are not enough to understand the overall operations of a commercial bank.
- ✓ Bank's policy of not disclosing some sensitive data and information for obvious reason posed an obstacle to the practical orientation that could be very much useful.
- ✓ Non-availability of data and information that are more recent on different activities of BBL was a great difficulty to depict the actual and up-to-date business position of the bank.
- ✓ The clients were too busy to provide me much time for interview.
- ✓ Though I have prepared many reports before, I had no experience of internship. So inexperience is one of the main constrains of the study.

PART B

COMPANY PROFILE

2: COMPANY PROFILE

BRAC Bank Limited, a scheduled commercial Bank, commenced its business operation in Dhaka, Bangladesh on 4 July 2001. The Bank is mainly owned by the largest NGO in Bangladesh – BRAC. The Bank has positioned itself as a new generation Bank with a focus to meet diverse financial needs of a growing and developing economy. The Bank has embarked with an avowed policy to promote broad based participation in the Bangladesh economy through the provision of high quality banking service based on latest information technology. The Bank will ensure this by increasing access to economic opportunities for all individuals and businesses in Bangladesh with a special focus on currently underserved enterprises and households across the rural-urban spectrum. We believe that increasing the ability of underserved individuals and enterprises to build their asset base and access market opportunities will increase the economic well being for all Bangladeshis.

2.1 HISTORY OF BRAC BANK

BRAC Bank Limited, with institutional shareholdings by BRAC, International Finance Corporation (IFC) and Shore cap International, has been the fastest growing Bank in 2004 and 2007. The Bank operates under a "double bottom line" agenda where profit and social responsibility go hand in hand as it strives towards a poverty-free, enlightened Bangladesh. A fully operational Commercial Bank, BRAC Bank focuses on pursuing unexplored market niches in the Small and Medium Enterprise Business, which hitherto has remained largely untapped within the country. In the last six years of operation, the Bank has disbursed over BDT 7500 corer in loans to nearly 2,00,0,000 small and medium entrepreneurs. The management of the Bank believes that this sector of the economy can contribute the most to the rapid generation of employment in Bangladesh. Since inception in July 2001, the Bank's footprint has grown to 56 branches, 429 SME unit offices and 112 ATM sites across the country, and the customer base has expanded to 4,65,000 deposit and 1,87,000 advance accounts through 2008. In the years ahead BRAC Bank expects to introduce many more services and products as well as add a wider network of SME unit offices, Retail Branches and ATMs across the country.

BRAC Bank intends to set standards as the Market leader in Bangladesh. It will demonstrate that a locally owned institution can provide efficient, friendly and Modern full- service banking on a profitable basis. It will produce earnings and pay out dividends that can support the activities of BRAC, the Bank's major shareholder. Development and poverty alleviation on a countrywide basis needs mass production, mass consumption and mass financing. BRAC Bank goal is to provide mass financing to enable mass production and mass consumption, and thereby contribute to the development of Bangladesh. The Bank's goals are thus aligned with those of BRAC.

2.2 SHAREHOLDING STRUCTURE

The shareholding structure of BRAC Bank Limited consists of different group with institutional shareholdings by BRAC, International Finance Corporation (IFC), Shore cap International and general public is also included through IPO.

BRAC

BRAC, a national, private organization, started as an almost entirely donor funded, small-scale relief and rehabilitation project initiated by Fazle Hasan Abed to help the country overcome the devastation and trauma of the Liberation War and focused on resettling refugees returning from India. Today, BRAC has emerged as an independent, virtually self-financed paradigm in sustainable human development. It is one of the largest Southern development organizations employing 97,192 people, with 61% women, and working with the twin objectives of poverty alleviation and empowerment of the poor.

International Finance Corporation

International Finance Corporation (IFC) is the commercial wing of World Bank. Using certain channels and overseas representatives, IFC it helps local financial institutions find profitable ways to target small and medium sized companies. Funding comes from the Asian Development Bank, Canada, the European Commission, the Netherlands, Norway, United Kingdom and IFC itself.

IFC is a 19% shareholder in BRAC Bank. A new assistance program signed in August 2005 aims to double the bank's number of small and medium enterprise clients in 18 months through campaigns to target women entrepreneurs and rural clients, introduce new products and train branch managers.

Shore Cap International

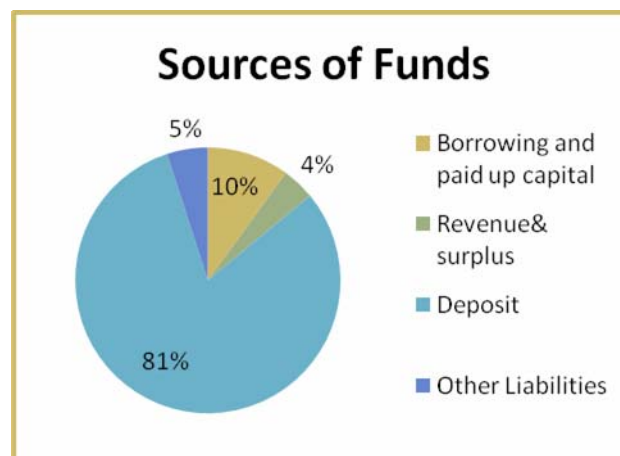
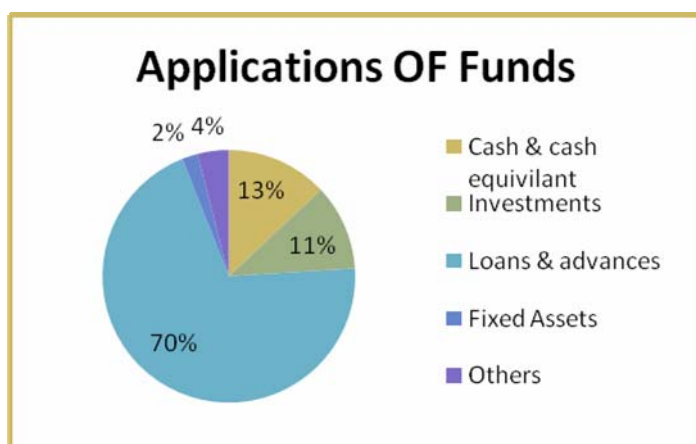
Shore Cap International Ltd. is an international private non-profit, equity company seeking to invest in small business banks and regulated micro finance institutions in countries with developing and transitional economies. Founded in mid 2003, Shore Cap has a current base of \$28.3 million in capital commitments and seeks to support the growth of development finance institutions in Africa, Asia and Eastern Europe. The institution has made investments totaling \$7 million in Bangladesh, India, Cambodia, Armenia, Mongolia and Kenya. Shore Bank is a 9% investor of Shore Cap and runs the management company, which oversees investment activities.

Shore Cap typically invests between \$500,000 and \$2 million for an ownership position of 10-25% of a company. As a minority shareholder, Shore Cap seeks financial institutions with a strong, experienced management team and a committed set of local development-minded investors. Shore Cap currently owns 18% of BRAC Bank Limited.

SHAREHOLDERS	PERCENTAGE
BRAC	31.74%
IFC	9.50%
Shore Cap International	8.76%
General Publication Through IPO	40%
Non Resident Bangladeshis	5%
Mutual Funds Through IPO	5%
Total	100%

Sources and Application of Funds

Main source of fund is customer deposits and bank utilize major portion of the fund for loan and advances and investments. A portion of fund is maintained in the form of cash and cash equivalents to maintain Statutory Liquidity Ratio and Cash Reserve Ratio.



2.3 GOALS

BRAC Bank will be the absolute market leader in the number of loans given to small and medium sized enterprises throughout Bangladesh. It will be a world - class organization in terms of service quality and establishing relationships that help its customers to develop and grow successfully. It will be the Bank of choice both for its employees and its customers, the model bank in this part of the world.

2.4 VISION

"Building a profitable and socially responsible financial institution focused on Markets and Business with growth potential, thereby assisting BRAC and stakeholders build a just, enlightened, healthy, democratic and poverty free Bangladesh".

2.5 MISSION

- ✓ Sustained growth in 'small & Medium Enterprise' sector
- ✓ Continuous low cost deposit growth with controlled growth in Retained Assets
- ✓ Corporate Assets to be funded through self-liability mobilization. Growth in Assets through Syndications and Investment in faster growing sectors.
- ✓ Continuous endeavor to increase fee based income
- ✓ Keep our Debt Charges at 2.5 % to maintain a steady profitable growth
- ✓ Achieve efficient synergies between the bank's Branches, SME Unit Offices and BRAC field offices for delivery of Remittance and Bank's other products and services
- ✓ Manage various lines of business in a fully controlled environment with no compromise on service quality
- ✓ Keep a diverse, far flung team fully motivated and driven towards materializing the bank's vision into reality.

2.6 CORPORATE VALUES

BBL's strength emanates from their owner - BRAC. This means, we will hold the following values and will be guided by them as we do our jobs.

- ✓ Value the fact that we are a member of the BRAC family
- ✓ Creating an honest, open and enabling environment
- ✓ Have a strong customer focus and build relationships based on integrity, superior service and mutual benefit
- ✓ Strive for profit & sound growth
- ✓ Work as a team to serve the best interest of our owners
- ✓ Relentless in pursuit of business innovation and improvement
- ✓ Value and respect people and make decisions based on merit
- ✓ Base recognition and reward on performance
- ✓ Responsible, trustworthy and law-abiding in all that we do

2.7 ACHIEVEMENTS

- ✓ Fastest growing bank: BRAC Bank has been the fastest growing Bank in 2004 and 2007. It is one of the local private commercial bank that set the standard of banking for the leader bank of Bangladesh banking industry.
- ✓ Leader in SME financing through 429 SME unit offices: The idea of SME unit are become very popular to the BRAC bank customer. In the last six years of operation, the Bank has disbursed over BDT 7500 corer in loans to nearly 2,00,0,000 small and medium entrepreneurs.
- ✓ Biggest suit of personal banking & SME products: BRAC Bank has variety of products for their customer in Branch and also in SME office.

- ✓ Large ATMs (Automated Teller Machine) & POS (Point of Sales) network. Now
- ✓ BRAC Bank has 112 ATM Machine all over the country.

2.8 PERFORMANCE AND INVESTMENT IMPACT

- ✓ Four-fold growth in size and earnings in three years.
- ✓ Loans outstanding grew by 87% during 2007 and total deposits increased by 51% to US\$200m.
- ✓ SME lending of US\$81.7m to nearly 15,000 SME customers in 2007.
- ✓ Growing retail market presence with 125,000 account holders and 60,000 cash cards in circulation.
- ✓ The bank now has a total of 2500 full-time staff (475 in 2003).
- ✓ BRAC Bank customer surveys reveal that an estimated 18,000 new jobs have been created thanks to SME loans helping business expansion.

2.9 MANAGEMENT HIERARCHY OF BRAC BANK LIMITED



3: DEPARTMENTS OF BRAC BANK LTD

If the jobs are not organized considering their inter relationship and are not allocated in a particular department it would be very difficult to control the system effectively. If the departmentalization is not fitted for the particular works there would be haphazard situation and the performance of a particular department would not be measured. Brac Bank Limited does these works very well. Departments are as follows—

- ❑ Human Resource Department
- ❑ Financial Administration department
- ❑ Asset Operations Department
- ❑ Credit Division
- ❑ SME divisions
- ❑ Inter Control and Compliance Department
- ❑ Impaired Asset Management
- ❑ Probashi Banking Operations
- ❑ Treasury Front
- ❑ Treasury Back
- ❑ General Infrastructure Services
- ❑ IT
- ❑ Customer Service Delivery
- ❑ Cards Division
- ❑ Phone Banking

- ❑ Cash Management
- ❑ Payment Service
- ❑ Loan Administration Department

3.1 WINGS OF BRAC BANK LTD.

BRAC Bank Limited consists of four major business divisions namely:

- A. Corporate Banking Division
- B. Retail Banking Division
- C. Small and Medium Enterprise (SME)
- D. Foreign Trade & Treasury

A. CORPORATE BANKING DIVISION:

Corporate Division provides full range of commercial banking products and services to any potential corporate clients including multinationals, large or medium local corporate, NGOs, institutional bodies.

The Corporate Banking Division has a centralized structure through on-line banking system. Any credit facility is processed at the Corporate Banking Division, Head office. After sanctioning of the facility, the limit is put on line and the customer can enjoy the facility from any of the BRAC Bank branches. Strict adherence to internal control guidelines and other legal and statutory compliance are followed. The Credit approval process involves separate Credit Division, the Managing Director and finally the Board.

Other departments like Foreign Trade, Treasury, and Credit Administration etc. play the support role for a comprehensive range of service to the Corporate Banking Division.

B. RETAIL BANKING DIVISION

Retail Division offers a wide array of lucrative and competitive banking products to the individual customers of the bank. Currently there are six lending products and a number of other attractive new products will be launched shortly. It also offers different types of term deposit scheme and attractive STD & Savings deposit schemes giving interest on daily balance.

C. SMALL AND MEDIUM ENTERPRISE (SME)

SME is an additional and specialized horizon of the bank which serves the bank's special focus in promoting broad based participation by catering to the small and medium entrepreneur. The network of SME has already been established throughout Bangladesh.

The SME market in Bangladesh is large. BRAC Bank is the absolute market leader in the number of loans given to small & medium enterprises throughout Bangladesh. The Bank disburses almost BDT 700crore of their loan to the SME unit. SME unit is dealing with small scale loan which is known as "ANONNO".

D. FOREIGN TRADE & TREASURY

Treasury Division is one of the major divisions of BRAC Bank. Treasury Division deals with money market. All treasury related products are processed in conformity with the Bank's Operational, Trading, Money market, Overnight, Term placing, Deal settlement, Commercial position keeping, Treasury, Credit, Finance & other applicable policies.

Treasury Operations calculates investment figure, prepares the auction application, forwards the application to Bangladesh Bank for Bid and Treasury Operations maintains and reconciles all accounts with foreign and local banks.

The main wings of Brac Bank are described broadly below.

3.1. A: CORPORATE BANKING

The Corporate Banking Division provides full range of commercial banking products and services. Other Departments such as Foreign Trade, Treasury, and Credit Administration etc. plays the support role for a comprehensive range of service to the Corporate Banking Division.

Why Corporate Banking:

- ✓ Quality of service
- ✓ Value of innovative solutions
- ✓ Level of trust with clients
- ✓ Market knowledge

Through the corporate banking clients have access to a wide range of financial services including:

- ✓ Debt capital
- ✓ Equity capital
- ✓ Ongoing relation support
- ✓ Financial markets

3.1. A.1 VALUES

- ✓ Services to customers
- ✓ Quality in everything we do
- ✓ Competitiveness and a will to win
- ✓ Growth and development of our people

- ✓ Continuous productivity improvement
- ✓ Professionalism and ethics in all our actions
- ✓ Growing profit for our stakeholders

3.1. A.2 BUSINESS CONCENTRATION (AREA WISE)

In line with our corporate strategy initially we will concentrate our business focus to the following locations:

Dhaka

Motijheel

Nawabpur and old parts of Dhaka City

Gulshan

Dhanmondi

Uttara

Kawran Bazar

Chittagong

Agrabad

Khatunganj

3.1. A.3 TARGET MARKET

- ✓ Pharmaceuticals, toiletries, chemicals and pesticides
- ✓ Power Generation, oil exploration, industrial and household gases (Liquid Petroleum Gases etc.)
- ✓ Edible Oil.
- ✓ Bulk Trading – Essential Commodities, Industrial Raw Materials, Agricultural Inputs
- ✓ Cement
- ✓ Garments, Textiles and related backward linkages industries including spinning, knitting, yarn, garments accessories etc.
- ✓ Food Processing and Beverage Industries

- ✓ Cable and Cable wire
- ✓ Information Technology
- ✓ Leasing Companies / Non Banking Financial Institutions
- ✓ Health Service Industry
- ✓ Non Governmental Organization (N.G.O) and other International Development Organizations
- ✓ Importers/dealers of machinery, industrial, electrical equipment
- ✓ Educational Institutions
- ✓ Bone china, ceramics, melamine, plastic products
- ✓ Manufacturing and Trading of Consumer Durables.
- ✓ Telecommunication
- ✓ Contractor Finance
- ✓ Ship Breaking, Re-rolling, Corrugated Iron (CI) Sheet Mfg. and related business
- ✓ Air Lines, Shipping Lines, Freight Forwarders, Testing and Inspection agencies
- ✓ Footwear and Leather
- ✓ Tobacco Products
- ✓ Tea

3.1. A. 4 TARGET CUSTOMER GROUP

- ✓ Leading Domestic Corporate and Trading Houses
- ✓ Local medium and large Corporate
- ✓ MNCs
- ✓ NGOs
- ✓ Educational Institutions

3.1. A.5 PRODUCT/SERVICE OBJECTIVES

The Corporate Banking Group would try to serve the financial market of the country with the following objectives as:

- ✓ To develop and sustain mutually beneficial customer relationships based on high quality service and innovative products.
- ✓ Maintaining a diverse and quality asset base and pursue a sustainable growth strategy.
- ✓ To provide and deliver services in a cost-effective manner.

3.1. A.6 CORPORATE PRODUCT

✓ **Cash management**

BRAC Bank's National Collection Services (NCS) is designed to assist corporate with nationwide collection requirements by providing faster funds availability in a cost-effective manner.

✓ **Corporate loan products**

Product Name	Description
Overdraft:	This is an on-demand credit facility designed to meet day-to-day operational activities of the business, including purchase of raw materials and expenses.
Term Loan:	This scheme is to meet different short-term fund requirements of the client. Payment of duty, Tax, VAT and other expenses related to the release of goods from customs through pay orders in the name of customs authority or Bangladesh Bank cheque is payable through this scheme.
Lease Finance:	One of the more convenient long-term sources of acquiring capital machinery and equipment. The client is given an opportunity to have exclusive rights to use an asset, for an agreed period of time, against payment of rent.
Loan Against Trust Receipt (LATR):	This is advancement against a Trust Receipt provided to the client when the documents covering an import shipment are given without payment. Under this system, the client will hold the goods of their sale proceeds in trust for the bank, until the loan allowed against the Trust Receipt is fully paid.
Work Order Finance:	BRAC Bank provides Work Order finance facility for its valued clients. Through this arrangement, clients can avail loan facilities against valid Work Orders up to a certain proportion.
Medium Enterprise:	The products offered under this sort of financing are versatile in nature and each product is tailored according to the need of the

borrower, under certain parameters. The range of organizations this sort of financing caters to include proprietorship concerns, private limited companies, educational institutions as well as NGOs.

3.1. A.7 COMMERCIAL BANKING UNIT

This is another wing of corporate banking division dealing with all the corporate products including non funded facilities to medium size enterprises where the requirement range varies from BDT3.00 million to BDT20.00 million. We are catering financial services to manufacturing , trading as well as to the service industry irrespective of proprietorship, limited company or non government organizations from Dhaka and Chittagong right at the moment with a view to serve other metropolitan cities of Bangladesh very soon.

It started operation one and half years back and right at the moment dealing with more than one hundred customers with total outstanding of BDT700.00 million including BDT200.00 million as non funded facilities. Our customers are less structured than corporate customers and more formal than the small enterprises customers, which is also reflected in the loan pricing.

Since most of the target customers of commercial banking unit are having banking relationship with other institutions they are very much rate and quality sensitive. Keeping this in mind we are trying to develop a strong market presence within next two years to support BRAC Bank's objective.

3.1. B: RETAIL BANKING

Division

Retail Division offers a wide array of lucrative and competitive banking products to the individual customers of the bank. Currently there are six lending products and a number of other attractive new products will be launched shortly. It also offers different types of term deposit scheme and attractive STD & Savings deposit schemes giving interest on daily balance. Retail Banking Division has the following departments:

- ✓ Alternative Delivery Channel
- ✓ Business Intelligence and Service Quality
- ✓ Cards Department
- ✓ Cross Selling
- ✓ Distribution
- ✓ Liability Value Center
- ✓ Non Funded Business
- ✓ Premium Banking
- ✓ Secured Value Center
- ✓ Unsecured Value Center

3.1. B.1 ALTERNATIVE DELIVERY CHANNEL

BRAC Bank's developments in alternative delivery channels are relatively new, reflecting developments in, and the diffusion of, new information and communications technology. The

focus of BRAC Bank's channels has, to date, been mainly on service providing activity. Alternative channels provide a means for clients to obtain service and information via such means as:

- ✓ ATM (Automated Teller Machine)
- ✓ CDM (Cash Deposit Machine)
- ✓ POS (Point of Sale)

The main driver of the introduction of alternative channels was, initially, the desire to widen the range of customer services available. Alternative channels were seen as a means of adding to the frontline services and complementing face-to-face contact. Now BRAC Bank Ltd. funding significantly and created a new focus on efficiency and cost saving. Developing the use of alternative channels is now seen as an important strategy for delivering significant savings for BRAC Bank Ltd. BRAC Bank Ltd. plans to invest into the development of alternative channels where efficiency savings can be realized. So far, the take-up of the current alternative channels by clients has been low.

3.1. B.2 BUSINESS INTELLIGENCE UNIT (BIU)

The concept of BIU in the banking sector of Bangladesh is relatively new. The main function of BIU is best described as to perform periodical analysis and on-demand analytical reporting tasks related to Retail Business to ensure that report is provided to the Top Management for effective performance at all times. Generating On-demand reports is a regular exercise for BIU for different Channels and Value Centers. People might correlate MIS with BIU but the major difference is that BIU thrives on the reports circulated by MIS, which are scrutinized to find out any gap between the target and achievement. It has also taken initiatives to do market analysis to understand the market trend and competitor's position. As stated later BIU is also producing daily/weekly/monthly reports for the Top Management.

3.1. B.3 SERVICE QUALITY

Service quality essentially deals with customer queries, interacting with aggrieved customers, conducting frontline staff service quality assessments with regular reviews, developing materials and methods to augment frontline staff's efficiency and standard, providing operational aid to branches to ensure uninterrupted service etc. This unit also provides training sessions to the OCCS and CSO periodically. Training sessions like World Class Customer Service (WCCS) are conducted under this unit in a regular basis. At the same time to enhance the importance of standard quality service SQ launches campaigns at different time. Providing streamlined solutions to customer service problems, Investigate service-related complaints, Collect, report and apply service intelligence to improve capabilities, Assist in coordination of all wide-scale service enhancement projects based on the service complaints, Monitor every Service Enquiry is answered properly within scheduled time frame And also monitor Enquiry Handling activity to make it a standard in service industry.

3.1. B.4 CARDS DEPARTMENT

3.1 B.4.i Credit Card

Credit card is a completely unsecured loan facility for the customers. Through a credit card a customer uses bank's money. One who wants to have it- need to show no guarantee or something like that. He may use it for purchasing, bills payment etc. purposes without having any cash deposit in bank or even in his pocket. He is allowed to do this against an approved credit limit set up by the issuer organization. Non-a/c holders can also get the Credit Cards.

3.1. B.4. ii ATM

ATM stands for "**Automated Teller Machine.**" ATM card is a plastic card to be used in ATM machine with some electronically encoded data on the magnetic stripe in it. This is probably the most popular form of **Plastic Money**, which is totally machine-based technology. ATM card is used to withdraw, deposit, balance inquiry, account transfer, bills payment, account statement checking etc. ATM card works through Personal Identification Number (PIN) pad facility.

Customers are given PIN numbers (usually 4 digits), which is totally secured. Every time he wants to use his ATM card he needs this PIN to use.

3.1 B.4. iii VISA Debit Card

Debit Card means – the uses of one's own money through an electronically encoded card from his pre-deposited account. It works against available money in the account. Without having any money in the specific account-no transaction can take place through Debit Card. Every Debit Card can be used both in ATM and Point-of-Sale (POS) terminals. VISA is a very renowned Debit Card facility providing organization in the world. VISA Debit Card means-any Debit Card using VISA logo in it.

3.1. B.5 CROSS SELLING

The vision of cross selling is to ensure the retention of the existing client by increasing the number of products own by each client. In other terms cross selling will be working with the objective that a client will own a product portfolio rather than a single product. It will enable to restrain the competition from snatching the client away.

Now the advantage that the competitors are taking is that they are offering an increased benefit on one single attributes of the product like .25% increased interest rate, time flexibility etc. and taking the clients away as most of the clients do not any other involvement. But if the clients own a portfolio it will be difficult for the competitors to offer the entire product portfolio as they do not have the entire range and at the same time even they have the entire product line it will be difficult for them to offer an increased benefit for all the products.

So cross selling would primarily work a sales channel for the retail banking division and would deal the existing and upcoming client database. By devising interactive software information regarding the clientele will be collected and basing on that information Telesales would initiate the selling process and would be closed by the direct sales team. As long as the required software which is named as Business intelligence Tool (B I Tool) is not ready to be operated information

regarding the existing clients would be generated manually basing on various assumptions with the help of Business Solution Department. With that information the team would carry on its operation.

Cross selling will also deal the references created from the existing client and references provided by the other sources at the same time. It will collect secondary databases from various organizations. So along with dealing the existing clients of the bank it will also deal the fresh potential clients.

Cross selling team of BRAC Bank is first of its kind in the Bangladeshi banking industry. No other bank so far has introduced the concept of cross selling as such BRAC Bank did. Though it is a common practice of the individuals in the entire industry to cross sell but it is neither a team effort nor backed up the organization of that individual.

3.1. B.6 RETAIL DISTRIBUTION

Retail Distribution under Retail Banking has further strengthened its position as a major channel of business by stretching its horizon both in richness and richness. The thoughtful distribution of branches helped the Distribution team to offer total banking solutions and services through its online facilities to the customers. BRAC Bank at present has a total of 36-branch network in the country. Retail Distribution is responsible for carrying out all branch activities of the bank. It has been created to serve the acquired customers. The main task of Distribution is to oversee that branches are performing their duties properly and carrying out the day-to-day activities of the bank properly and efficiently and at the same time increasing both asset & liability portfolio Of many deliverables, Retail Distribution concentrates mostly to ensure ‘service excellence’ which is by adding delight across all touch-points to make massive contribution towards profitability.

3.1. B.7 LIABILITY VALUE CENTER

LVC, the most vital wing of Retail Banking Division, is the department that is the owner of all the retail liability products, assuming “innovation” as the key factor. LVC’s responsibility is to create,

analyze, and modify all its liability products to ensure growth of liability portfolio, both in number of customers as well as in deposit volume. In detail, LVC is heavily involved in the following activities, but not limited to:

- ✓ Doing innovation and development of Liability Product based on the best market practice.
- ✓ Adding muscles (innovative and stronger features) to existing products to increase sales and volume.
- ✓ Taking necessary actions regarding products that are not producing expected sales or volume.
- ✓ To do so as mentioned in no. 3, the VC takes on many campaigns, comes up with special offers, and also encourages and motivates every single touch point, such as branches, sales centers, etc. to work in a concerted fashion to boost the performance of a product.
- ✓ LVC is also involved in selling through the Direct Sales Teams across the country .
- ✓ It ensures business through Direct Sales, Cross Sales, Premium Banking, and also Branches.
- ✓ LVC also conducts regular market study to attain the competitive advantage in the market. It looks for the untapped opportunities in the market as well as the scope for improvements in the product features based on market practice to ensure its products' competitiveness in the market.

3.1. C: SMALL & MEDIUM ENTERPRISE BANKING DIVISION

SME Banking Division is a business division of BRAC Bank Limited that deals with Small and Medium sized Entrepreneurs involved in different types of business. SME banking division primarily provides loans to small and medium sized trading, manufacturing, service, agriculture, non-farm activities and agro-based industries located across the country.

Distribution

At present SME Banking Division has a reach in all 64 districts of the country through 427 unit offices. **The functional designation of the loan officers who operate at the unit offices is**

Customer Relations Officers (CROs).

A zone is comprised of 1-6 unit offices, where the person in-charge of the zone is known as a Zonal Manager. The reporting manager of a CRO is the Zonal Manager (ZM) or Associate Relationship Manager (ARM). Zonal Managers/ Associate Relationship Managers have the authority to approve a loan up to BDT 6 lac. There are 137 Zonal offices in SME Banking at present. A Territory is comprised of 6-12 zones. There are 14 territories at present. The reporting of a Zonal Manager is the Territory Manager. The Associate Relationship Managers however report to the Portfolio Managers.

UNITS OF SME BANKING DIVISION

There are 7 business wings in SME Banking Division.

1. General Business Unit
2. Women Entrepreneur Cell (WEC)
3. Large Business Unit (LBU)
4. Manufacturing Business Unit (MBU)
5. Supplier & Distributor Finance Unit (SDF)
6. Commercial Credit Unit (CCU)
7. Vehicle Financing Unit

3.1 C.1 GENERAL BUSINESS UNIT

This largest business unit of SME Banking Division has long been providing loans to SME entrepreneurs. Regular business wing offers varying products. SME entrepreneurs mostly require small finance that this business unit has successfully been offering to all level of SME borrowers irrespective of business type. In addition to Small finance this business unit is also offering finance to medium entrepreneurs.

3.1. C.2 WOMEN ENTREPRENEUR CELL (WEC)

Women Entrepreneurs Cell (WEC), one of its kinds in the banking industry of Bangladesh, was launched in 2006 under SME Banking Division with an objective to offer access to formal finance along with training and technical assistance to the women entrepreneurs across the country.

3.1. C.3 LARGE BUSINESS UNIT (LBU)

Large Business Cell started its journey from February 2007. The objective for this unit is to increase the average ticket size of the overall SME portfolio and also to tap the unexplored market.

3.1. C.4 MANUFACTURING BUSINESS UNIT (MBU)

The Manufacturing Business Unit was launched in August 2007 under SME Banking Division. The objective of launching this unit is to better serve the manufacturing sector by providing sector-focused loan & other services.

3.1. C.5 SUPPLIER & DISTRIBUTOR FINANCE UNIT (SDF)

Supplier & Distributor Finance Unit was launched in September 2007 to engine the growth of linkage industry, an indispensable sector for any industry.

3.1. C.6 COMMERCIAL CREDIT UNIT (CCU)

The Commercial Credit Unit (CCU) was launched in October 2007 with the objective of providing financial services in the Trade Finance sector with pre & post import facilities.

3.1. C.7 VEHICLE FINANCING UNIT

This newly formed business unit of SME Banking is aimed at financing the commercial vehicles of SMEs. This unit will operate in some selected areas of the country. In addition to the 7 business

units there are 2 more units in SME Banking Division.

3.1. C.8 PRODUCT DEVELOPMENT & RESEARCH UNIT

This unit primarily assesses the market and observes the potential of developing product or service to cater different requirements of the existing/potential customers of SME Banking. Product Development wing also develops campaigns and takes initiative to design merchandises, with the help of the creative and communication division.

3.1. C.9 SME OPERATIONAL RISK MANAGEMENT UNIT

This unit comprised of several wings one of which is Recovery & Compliance Reporting, a wing that collects overdue from default clients of SME Banking, follow up litigation against the default clients and ensure compliance of internal policies & Bangladesh Bank regulations to the unit offices. Another wing named Coordination maintains liaison of SME Head office with SME unit offices & other departments. Loan Collection & Legal Affairs wing provides legal assistance & knowledge to personnel at SME unit offices. Monitoring unit reviews prevailing processes of SME Banking Division & ensures meticulous business reporting for smooth operation.

3.1. C.10 SME PRODUCTS

SME is an additional and specialized horizon of the bank which serves the bank's special focus in promoting broad based participation by catering to the small and medium entrepreneur. The network of SME has already been established throughout Bangladesh. The SME market in Bangladesh is large. BRAC Bank is the absolute market leader in the number of loans given to small & medium enterprises throughout Bangladesh. The Bank disburses almost BDT 700 crore of their loan to the SME unit. SME unit is dealing with small scale loan which is known as "ANONNO"

Product Name	Description
Anonno Rin	This is a small-scale loan designed to finance small scale trading, manufacturing and service ventures, especially to aid the purchase of fixed assets, and to finance working capital.
Digoon Rin	Digoon Rin is a loan facility for Small and Medium enterprise. This product's main objective is to help various Small and Medium entrepreneurs to meet their short-study cash flow shortages or bridge the fund-flow gaps. Double loan on your deposit. For your business expansion, you do not need to encash your savings rather you can take double amount of loan on your deposit.
Supplier Finance	Supplier Finance is a loan facility for the enlisted Suppliers of various large retailers, marketing companies, distributors, exporters etc. This product's main objective is to help various Suppliers to meet their short-study cash flow shortages or bridge the fund-flow gaps.

3.1. D: TREASURY AND FINANCIAL INSTITUTIONS

Three major functional areas of Treasury & FI are Money Market, Asset Liability Management and Financial Institutions.

A) Treasury

A.1. MONEY MARKET

Money market is the financial market for short-term borrowing and lending. Key functions of money market are managing daily liquidity requirements and comply with SLR & CRR, Foreign Exchange Open Position and other regulatory requirements. Money market products have maturity up to one-year. Money market again has two broad divisions: Local Currency and Foreign Currency. Some money market products are Overnight Borrowing or Lending from Call Market, Placement or Borrowing from Term Market, Repo or Reverse Repo, Treasury Bills of 91 Days, 182 Days and 364 Days, foreign currency sale/buy (ready, spot, TOM, forward, SWAP). Ready transactions are cash transactions which are settled on the deal date. Tom transactions are settled one day after the deal date. Spot transactions are settled on the third day after the deal date. A forward transaction is a transaction, which takes place beyond Spot date. **Treasury circulates** Daily exchange rate sheet, which quotes the exchange rate for foreign currencies against local currency and the interest rate for FC FDR. For example 1 GBP = 1.91 USD

A.2. CAPITAL MARKET

The duration of Capital market products starts from one-year to Twenty years. Currently our government is offering Treasury Bonds of 5 Years, 10 Years, 15 Years and 20 Years.

A.3. SECURITIES MARKET

Securities market offers Share, Preference Share, Bonds, Zero Coupon Bond and Debentures of different maturities.

B) Financial Institutions

Financial institutions maintain relationship with different local and foreign banks to support our internal (SME, PBS, CMCL, Retail and Corporate) and external clients. Financial institutions have arranged MOU/Agreement with different banks in channeling loans/remittance/collection/cash deposit to meet our business requirements. BRAC Bank Ltd. also maintains about 550 accounts with different local banks to support its Small & Medium Enterprise (SME), Cash Management and Remittance operations throughout the country.

4: PRODUCTS AND SERVICES

4.1 Products and Services

- ✓ Deposit product
- ✓ Loan product
- ✓ Card product

4.1. A. DEPOSIT PRODUCT

Deposit Account

Accounts In BBL

Type	Name
Current Account	1.Current Account(CD) 2.Ezee Account 3.Bizness Account 4.Campus Account 5.Salary Account
Savings Account	1.Saving Account 2.Femina Account
Short Term Deposit Account	1.Short Term Deposit Account
Term Deposit Account	2.Classic Deposit Account 3.Freedom Fixed Deposit 4.Abiram Fixed Deposit 5.Interest First Fixed Deposit 6.Money Multiplier Scheme 7.DPS & FDPS
Foreign Currency Account	1.Non Resident FC Account 2.Resident FC Account

Different Types of account

4.1. A.1 Current Account

An absolute transactional account through which a customer can transact any amount. This is a Cheque bearing account normally no interest paid, no bar on deposit and withdraw and it has easy access to other deposit and loan facilities. This account is normally operated by Businessman.

Product Name	Description	Special Features
Current Account	BRAC Bank's Current Account is a normal checking account, giving the option to deposit and withdraw money for your day-to-day needs.	-ATM card for easy cash withdrawal -Deposit cheques at any of the branches and get the fund transferred to your account immediately -Use online banking facility for free
EZee Account	'Banking That Sets You Free' BRAC Bank offers the EZee Account a non-cheque interest bearing account for small savers who are in frequent need of transaction.	-24 hour access to ATMs and POS -Interest on daily balance -No minimum balance -No ledger fees
Bizness Account	Bizness account is an interest bearing account only for business and Enterprise for SME and Retail Banking.	-Smart Bizness card -Interest on daily balance -No minimum balance -No ledger fees
Campus Account	Campus account is a non-cheque individual account for students of different educational institutes.	-Smart campus account card -Discount at different store -Interest on daily balance
Salary Account	BRAC Bank Salary Account is a payroll account for Employers and Employees. An organization can opt for our Salary Account to enable easy	The organization needs to have a minimum of 10 employees and a payout of Tk.1 lac per month. -Non-Checking Account -ATM Debit Card

	disbursements of salary & enjoy numerous other benefits.	-Saving Interest
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4.1. A.2. Savings Account

A type of transactional account through which a customer can transact on a daily basis. Special features of this account include: Limitation on transaction & Size of transaction, large withdrawal require prior notice, Cheque bearing account, Interest paid on saving rate, Access to other deposit facilities and loan facilities except overdraft facility.

Product Name	Description	Special Features
Saving Account	A regular savings account offering you interests on your deposit amount.	-8 transactions maximum -Cash withdrawal and deposit Of above 5 need clarifications -No forfeiture rules or hidden costs
Aporajita Account	It's a non cheque bearing account designed exclusively for only lady customers with certain exclusive privileges.	-Interest on daily balance -No minimum balance -No ledger fees -Smart ATM/Debit card

4.1. A.3. Short term Deposit account

An absolute transactional account through which a customer can transact any amount with prior notice. Special features of this account include: Normally operated by businesses with less transaction and individual, more like current account, Interest paid, No bar on deposit & withdrawal, Access to other deposit facilities and loan facilities, Bar may be imposed on balance maintenance.

Product Name	Description	Special Features
Short Term Deposit	A deposit scheme to give returns on your savings.	-Minimum balance required is Tk. 100,000 -Interest paid twice a year but

		calculated monthly if balance
DPS	BRAC Bank's Deposit Premium Scheme is a savings plan that adds value to your hard earned money.	-Monthly installments can be as low as Tk. 500 or any multiples of it -Choose any day as your installment date -Receive a Savings a/c with a personalized cheque book.

4.1. A.4. Term Deposit Account

A type of non transactional Account and the amount payable after maturity only. Special features of this account include: Amount can be fixed by both business & individual with permission from bank, Interest paid is comparatively higher than TA.

No access to other deposit facilities and loan facilities, Term Deposit receipts are given from bank, Example 1/3/6 month Fixed Deposit ½ year fixed deposit, DPS etc.

Product Name	Description	Special Features
Fixed Deposit	A term deposit with a guaranteed monthly return on investment. Opening Requirements » A Current Account or Savings Account	- Competitive interest rates -Early encashment flexibility -Secured Loan and/or Secured Overdraft eligibility.
Abiram Account	BRAC Bank 'Abiram' Account is a special type of Fixed Deposit scheme, which offers the flexibility & comfort of having a guaranteed monthly return on your investment.	-Monthly interest on your deposit Attractive rate of return -95% loan against deposit
Interest First Fixed Deposit	This time you don't have to wait till maturity to receive interest on your Fixed Deposit. BRAC Bank Interest First Fixed Deposit gives the interest instantly at the time of your deposit.	-Instant interest on fixed Deposit -Interest reinvestment opportunity -Attractive rate of return Loan facility against the IFFD.

4.1. A.5. Foreign Currency account

A type of Transactional accounts both national & foreigners can open. Special features of this account include: Rational require for opening such accounts (Business, Remittance, Foreign income), Special documentation require, Only authorized dealer (AD) branches can open, Can be interest bearing / noninterest bearing ,Maintained as per foreign Exchange guideline of Bangladesh Bank.

Broad Classification

Different Types of account

<u>Classification Criteria</u>	
Category	Description
Account Type	<ul style="list-style-type: none"> ▪ Transactional & Non Transactional ▪ Current, Savings , STD
Currency	<ul style="list-style-type: none"> ▪ Local, Foreign , Convertible
Customer Segment	<ul style="list-style-type: none"> ▪ Individual, Joint ▪ Business (Sole Proprietorship, Partnership, Limited Company)
Eligibility Criteria for Opening	<ul style="list-style-type: none"> ▪ Age, Identity, Income, Demography, Legal Status, KYC
Benefits and Features of the Product	<ul style="list-style-type: none"> ▪ Interest Rate and Frequency ▪ Check Book and Debit Card ▪ Statement Facility ▪ Transaction Limit ▪ ADC Facility (Phone Banking , Internet Banking, BPM, SMS Banking) ▪ Loan Facility
Balance	<ul style="list-style-type: none"> ▪ Minimum deposit for opening ▪ Minimum Balanced for Opening ▪ Special Requirement
Fees and Charge	<ul style="list-style-type: none"> ▪ Relationship Fee, Debit Card Fee, ADC Fee as per bank's guidance
Excise and other duty	As per prevailing Bangladesh Bank Guidance

Account Type:

✓ **Transaction Based**

a. Transactional A/C

b. Non Transactional A/C

Transactional Account

Transactional account helps the customer to perform his/her daily transaction with deposit and withdrawals. A customer is benefited with the interest payment by the bank and receives cheque books and also can avail loan facilities that the bank offers.

Non Transactional accounts are accounts created specially the transactions of the transactional accounts.

- 1. Office Accounts
- 2. Term Deposit Accounts

Transactional Accounts

Basic Features:

Name	Cheque	Debit Card & POS Facility
Current A/C	Yes	On Request
Ezee A/C	No	Yes
Bizness A/C	No	Yes
Campus A/C	No	Yes
Salary A/C	No	Yes
Savings	Yes	Yes
Aporajita A/C	On Request	Yes
STD A/C	Yes	No

Currency

✓ **Currency Based**

- 1. Local Currency A/C
- 2. Foreign Currency A/C
- 3. Convertible A/C

4.1. B. LOAN PRODUCTS

Product	Description
---------	-------------

Name	
Salary Loan	Keep an extra 15 month's salary in pocket. Client can get BRAC Bank Salary loan, Loan against salary. If He/She is a salaried individual working in Bangladesh.
Car Loan	Why toy with your dreams when you can own one', BRAC Bank Car Loan can stop your dreaming and Start driving Whether you want to purchase a brand new car or a reconditioned one, BRAC Bank have the most customer-friendly car loan scheme available for you.
Study Loan	'Your gateway to the world' BRAC Bank Study Loan gives your child deserves the best education and you have planned it ahead. But worried about financing? BRAC bank has the perfect solution for your child's future.
Travel Loan	'It's time to fly', BRAC Bank Travel Loan opens the door for planning to take a trip abroad and worried about financing? BRAC Bank has fast and easy loan processing will simply add excitement to your travel plan.
Credit Card Loan	'When you have a credit card sky is your limit' with BRAC Bank. Now, a credit card is all you need to get a loan from BRAC Bank. Loan can be used for any reason from buying consumer goods, automobile to vacation expenses. Just decide what to do and start planning for it.
Secured Loan/ OD	A special scheme that allows you to avail cash at nominal interest rates. Your security is kept untouched in the Bank's custody as the value grows.
Doctor's Loan	Anti-Headache solution for Doctor's. BRAC Bank introducing Doctor's Loan, an exclusive loan facility for the Doctor's fraternity. Now practicing Doctor's can avail this loan very easily to meet their professional needs.

Secured Value Center

Secured Value Center is a part of Retail Banking that oversees all the secured asset products of the bank. Currently there are mainly five secured products that are being offered by the bank and these are follows:

- a. Auto Loan
- b. Secured Loan
- c. Secured Overdraft
- d. Home Loan

Unsecured Value Center

Unsecured Value Center (UVC) is the owner of all the Unsecured Products of BRAC Bank .The

main purpose of this Center is to monitor, evaluate and boost business of UVC. It is also involved in market study, New Product Development, PPG amendment, maintaining extensive MIS and does everything for betterment of the business. UVC do their business through all the channels, i.e. Direct Sales, Distribution, PB and Cross Selling. Out these channels, Direct Sales is directly attached with the UVC. The main activity of the Value Center is to operate smooth business through the all the channels with value added.

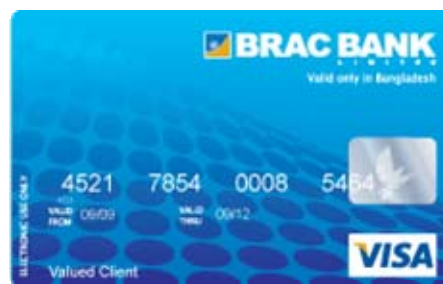
4.1. C. CARD PRODUCTS

VISA Debit Card is three types:

- VISA Debit
- VISA Electron Δ VISA Flag / Plus ATM

Again this is to inform that – Debit Card also needs PIN based technology to use it through. Account number in VISA or any other Debit Card can be embossed or without embossed (Indent printed).

Visa Debit Card: VISA cards are accepted at all BBL, VISA & Q-Cash ATMs & POSs.



DEPOSIT PREMIUM SCHEME (DPS)

A certain amount is deposited every month in an account (also called monthly pension scheme), which is accumulated over a specified period of time. Deposit Premium Scheme (DPS) is the most attracting deposit scheme that is offered by BRAC bank limited. Deposit Premium Scheme

is specially designed for the fixed monthly income group. Upon maturity the total amount (total accumulated deposits with accumulated accrued interest) is made available to the DPS account holder.

Special Feature of this Scheme:

Features

- Monthly installments can be as low as Tk. 500 or any multiples of it
- Choose any day as your installment date
- Receive a Savings a/c with a personalized cheque book
- On-line banking facilities
- You don't need to stand in a long queue to deposit your DPS Installments. You can always deposit more than one installment in your savings account and we'll automatically transfer the installment to your DPS account on due dates

Monthly Installment Amount (BDT.)	Maturity amount after completion of all regular installments payment*			
	4 Years	7 Years	11 Years	14 Years
500.00	28,667.00	58,650.00	116,603.00	179,550.00
1000.00	57,334.00	117,300.00	233,207.00	359,101.00

BRAC Bank is well positioned to be the leading Personal Banking business amongst the local private banks. Bank's conscious efforts in brand building, introducing and supporting new packaged products, developing PB organization along with non-traditional delivery channels have resulted in good brand awareness amongst its chosen target markets. Installment based savings schemes are a major category of saving instruments amongst mid to upper middle-income urban population.

DPS is an installment based savings scheme (Deposit Premium Scheme) of BRAC Bank for individual clients. The key differentiators of the product will be –

- ✓ **Amount of monthly deposit** - The scheme offers the clients the flexibility of tailoring the amount of monthly deposit based on his monthly cash flow position. The minimum

monthly deposit will be BDT 500.00 The client will have the option of depositing any amount in multiples of BDT 500.00.

- ✓ **Flexible tenor of the scheme-** The client has flexibility of deciding on the tenor of the scheme in-terms of number of months. However, the minimum tenor would be 10years.
- ✓ **Flexibility to open any number of DPS Account-** A client can open maximum five DPS accounts in client's name, in his/her spouse's name or in the name of his/her children or in joint names with any of his/her family members.
- ✓ **Premature encashment** – if any client closes the deposit account before one year, s/he will not be entitled to any interest. Account running more than a year will be eligible for the prevailing interest offered in the savings account.
- ✓ **NO Late payment fee** – Clients failing to deposit any installment will not pay any late payment fee
- ✓ **Payment through Account** – Clients will have to open an Account with BRAC Bank Limited and a standing instruction will be executed for auto-debit to effect the monthly installment.
- ✓ **OD Facility against DPS** - Clients will have the option of taking advance upto 90% of the deposited amount at the time of application. However, to be eligible for the OD facility, the account must be at least 2 years old

Restrictions and Client Eligibility

- ✓ Any Bangladeshi Citizen attaining 18 years of age will be eligible to avail this product by opening an account in any of the branches of BBL. Branch will ensure compliance with account opening formalities.
- ✓ A minor operated by the legal guardian may also open the account.
- ✓ The tenor and the deposit amount agreed by the applicant and accepted by the Bank at the time of opening the account cannot be changed afterwards.

Closure of Account

The account will immediately cease to operate in case of the following:

- ✓ Death of the account holder.

Settlement of the Account Documentation - In order to open the account, the account holder will execute the following documentation:

- ✓ Fulfilling Account opening formalities
- ✓ Filling up the DPS Application form
- ✓ 2 copy Pass port size Photograph of the applicant
- ✓ 1 copy passport size photograph of the nominee attested by the applicant

PART C

JOB PART

5: JOB DESCRIPTION

In order to achieve best service quality BRAC bank has separate department called “SERVICE QUALITY DEPARTMENT”, which is responsible of maintaining over all services of the bank to satisfy customers. To establish world class guest experience in all its operations it mainly focusing on people, infrastructure, technology, products and process. To illustrate the fact, Brac Bank now uses the word “Guest” instead of “Customer”. In order to ensure such experience Brac Bank always looks for enthusiastic people as employee and interns as well. I was doing the job of a Floor manager under this department from January 10th 2010 to April 10th 2010 in GULSHAN branch.

5.1: KEY RESPONSIBILITIES

- ❑ Ensuring first hand services to the guest
- ❑ Keep observing the service activities during the service hour
- ❑ Guiding lost clients to have proper services
- ❑ Having guest suggestion and complains and reporting to BM
- ❑ Ensuring clients solutions and quality services

ENSURING FIRST HAND SERVICES TO THE GUEST:

Bank is a financial institution so it is very tuff for a guest to know each service point. They sometimes come up with such problems for which they need not to talk to customer service manager or Branch manager. Like – how to write a deposit slip or how to use ATM card in booth

etc. in that situation my primary duty was to greet them so that they rely upon me to have on the spot service. On the other hand my primary duties are understanding guest's problem and guide him or her to talk with the right person on the right desk.

KEEP OBSERVING THE SERVICE ACTIVITIES DURING THE SERVICE HOURS:

During the service hour, many unusual situations may arise. So my another duty was to keep looking into those situations and make instant solutions like keep looking whether staff behaving the way they should behave or not. To look after whether any staff is ignoring any customers or not, was my another job duty.

GUIDING LOST GUESTS TO HAVE PROPER SERVICES:

It is usual situation that different professions people come to bank every day. Some profession people come to bank for the first time and doesn't know overall service arrangement of the bank. They enter into the branch and starts wondering around within the bank. They get completely lost. So, my responsibility was to listen and guide them in a proper way.

HAVING CUSTOMER SUGGESTION AND COMPLAINTS

Since each branch is a touch point for the bank so it's the better option for SQ department to have better guest experience. Another duty is to collect such suggestions and complain from guests and reporting to the Branch Manager.

ENSURING CUSTOMER SOLUTION AND QUALITY SERVICES

A guest should have a complete solution of a problem from branch. If it is not possible for customer service officer then take him/her to customer service manager even if it is not possible

for the CSM then take him/her to BM. In the meanwhile I have to ensure the quality service to the guest.

5.2 DIFFERENT ASPECTS OF JOB

There are five essential areas to excellence in guest experience. BRAC Bank guest experience standard will apply it the five aspects for excellence in guest experience listed below—

1) People 2)Premises 3) Papers 4) Processes and 5) Practices

- ❑ **People:** The team who serves the guests
- ❑ **Premises:** The location or place where we serve the guests
- ❑ **Papers:** The documents we use to provide and receive information and to communicate with our guest and colleagues
- ❑ **Process:** the process that enable us to delight our guests
- ❑ **Practices:** the way we interact and talk with our guests.

For keep concentrating on service issues, Brac bank has prepared guest experience fundamentals for its entire team member. Brac Bank's guest standards are—

- ❑ **BOLD:** All team members are will be bold and on behalf of their guests and colleagues. They will be first to greet, first to listen and first to make any suggestions. They are the persons who satisfy the demands of the guests even if they are unexpressed
- ❑ **RELIABLE:** The team member will take full ownership in serving their guests to their complete satisfaction

- **APPEALING:** The team members have to ensure that all guest touch points are appealing and inviting
- **CONSISTENT:** The team members will ensure that their guests experience quality is consistent in all aspects across all guest service point all the time.

Apart from the above mentioned jobs, I was appointed for following works as well.

Software called Finacle where I have to do:

- ✓ CIF (Customer Information Form).
- ✓ A/C verify & close
- ✓ FDR, DPS opening
- ✓ Cheque book, ATM card issue, Active.

My major job purpose & principle accountabilities in the banks are as follows:

- ✓ Ensure account opening, modification, closing, and ATM card & Cheque book requisition and remittance activities.
- ✓ Implement client service strategies to achieve BRAC Banks objective and plans
- ✓ Ensure quick resolving of client quires and issues
- ✓ Efficiently handle customer complains
- ✓ Properly maintain FDR, ATM, Account and other registers
- ✓ Receiving checks, issue cheque book, Fund transfer
- ✓ Verifying check book register, Customer Signature verification
- ✓ Writing pay order, Statement inquire
- ✓ Checking balance as per individual customer request
- ✓ Providing all kinds of general banking information to the customers
- ✓ Issuing check books and posting them into the system.

5.3 CRITICAL OBSERVATIONS & RECOMMENDATION

BRAC Bank is now mainly focusing on the service quality issue because it believes in long term relationship with its guest. Bank believes that if every guest has a positive image about the bank then they will wholeheartedly refer BRAC Bank to others. My observation shows that positive word of mouth has more power than the promotion, products and price. To do so it needs more priority on customer services than any other thing. Due to huge customer base and cross cultural differences it seems very difficult for the team to properly manage customer satisfaction. So from my point of view the team member should have more cross cultural training in order to understand guest best.

PART D

PROJECT PART

6: CUSTOMER SERVICE QUALITY

Let's see what business Guru's thinks:

“Customer Service is an organization's ability to supply their customers' wants and needs”

“Customer Service is any contact between a customer & a company, that cause a +ve /-ve perception by a customer”

At first BRAC Bank introduce the concept of customer service quality at banking sector in Bangladesh. BRAC Bank is always careful to provide their customer the best service and always try to make them happy. That's why in every branch has a customer service department that consisting two level of employee.

- ❑ **BSSO (Branch sales and service officer):** They give all the service to the customer except cash transaction.

- ✓ Seek information about products /service
- ✓ Get more Clarity on something
- ✓ Solving Problems
- ✓ Lodge complaint & seek Solution
- ✓ Multiple affaires: FDR Receipt order and delivery, PO etc.

BSSO are responsible to solve this problem of customer.

- **Floor Supervisor:** Floor Supervisor normally careful about customer
 - ✓ Timing: They give the customer Token and Serial Number.
 - ✓ Correct Placement: Sometimes new or uneducated customer come to branch and they not know about where they go for which service. Floor Supervisor places them in correct department.
 - ✓ Information: Floor Supervisor also gives necessary information to the customer.

Normally customers are come to branch in some specific reason .BRAC Bank thinks that is the opportunity for bank to make them satisfied, loyal and ambassador. That's why BRAC bank is tried to provide excellent customer service to their customer instead of only customer service. In this purpose all the Bank staff makes the promise to make Customer satisfied or even delighting Customers which means excellent customer service to them.

6.1. IMPORTANCE OF GOOD CUSTOMER SERVICE

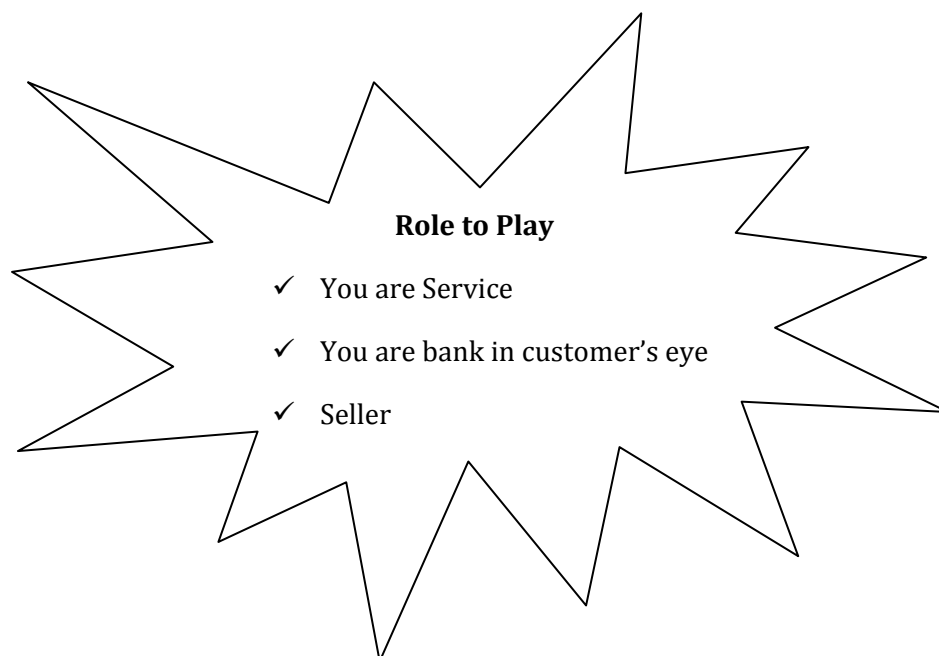
Good customer service always has to play some rule. BRAC Bank customer service is always tried to provide certain service to their customer. Those are:

- ✓ Customer Satisfaction: Customer satisfaction is the main purpose of customer service. All the branch staff is always try to give the best service to their customer.

- ✓ Building Relationship: BRAC Bank treat customer as their guest. That's why floor supervisor always cordially invited the customer when they enter into the branch and serve them until they leave the branch. That's help customer to make loyal to the Bank.
- ✓ Customer Expectation: As a service organization BRAC Bank always try to provide the best service that expected by its customer.
- ✓ Higher Service Charge – Expectation of better Service
- ✓ Positive & Negative Word of Mouth: BRAC Bank is always following the motto 'Customer is always right' and also behaves softly with the customer.
- ✓ Customer Loyalty: BSSO and CSM always show sympathy in the any sad news of the customer or share a happy moment with their existing customer. ex: Send Eid card, Calendar, Inform about new facility.
- ✓ Increasing market Competition: BRAC Bank introduce new strategy day by day to make their potential client as their loyal customer.

6.2. ROLE OF CUSTOMER SERVICE PEOPLES IN SERVICE DELIVERY

In the branch the branch manager, customer service manager, customer service people (BSSO and OCCS) have to play several rules. Those are:



6.3. SERVICE QUALITY IN THE EYE OF BRAC BANK

- ✓ Service quality is service check points for customer service or any other issues in branches and backward linkage departments.
- ✓ Service Auditing and Monitoring
- ✓ SQ works with process & people part of customer Service

6.4. PURPOSE OF SERVICE QUALITY

- ✓ Access & Monitoring the performance of CSO & OCCS on Regular basis.
- ✓ Process Designing and Reengineering
- ✓ Complaint handling
- ✓ Launching different service related campaign
- ✓ Design new customer service
- ✓ Asses and monitor customer Service standard in branches

6.5. HOW BRAC BANK TRACKS THE PERFORMANCE OF BRANCH SERVICE QUALITY

For tracking the performance of CSOs & CSM apply the following approaches:

- ✓ Mystery Shopping
- ✓ Pop-Up Visit
- ✓ Customers' Feedback

MYSTERY SHOPPING

Mystery shoppers work just like an ordinary customer to gain real customer experience, with respect to selected activities. The mystery shopper monitors each CSO and CSM (Customer Service Manager) twice in a month.

Parameter of Evaluation in Mystery Shopping: There are some parameters fixed by bank.

Mystery shoppers go to branch and assess the staff in these attributes.

ATTRIBUTES OF ASSESSMENT (INDIVIDUAL)

Personal Aptitude: How an employee is behaving with customer? Includes: Acknowledgement & Greetings, Introduction and Offering seat, Facial Expression, Body Language, Closing Conversation

Professional Conduct: A Customer service person always shows professionalism in their work, Dress Up and Appearance, Impression Management & professional attitude, Addressing & accent, Dispute Handling Ability, Apologizing for Mistake, Confusing by Referring, Do it Right at the First Time.

Product Knowledge & Service focus: Complete knowledge about different type of product is mandatory. Adequate Product Knowledge, Presentation Ability, Reasonable Timing, Error Free Service Delivery, All information should be well Communicated.

Inappropriate Conduct: Some behaviors are restricted for bank staff in front of customer. Those include: Referring Without Completing, Left Seat & Kept Vacant for long time, Eating and Drinking, Receiving PERSONAL Phone Call, Prolonged Conversation with other, Casual body language, Rudely & Loudly Talking, Identical Discrimination, Act as nothing Wrong, Improper, Falls & Unsure statement, laughing at Customer, Lack of Commonsense, and Subjective Impression.

6.6. CAN BANK CONTROL OVER THEIR CUSTOMER

- ✓ 1% die
- ✓ 3% move away
- ✓ 5% seek alternatives or develop other relations
- ✓ 9% begin doing business with the competitors
- ✓ 14% are dissatisfied with the product or service
- ✓ 68% are upset with the treatment they received

That means bank have some control over 96% of the reason customers stop doing business with bank.

6.7. CUSTOMER SERVICE QUALITY RULES (CODE OF CONDUCT) OF BRAC BANK

6.7.1. Know your customer (KYC): When a client comes to open an account, try to get a clear idea about that person prior to open an account. Common facts required to be noticed are:

- ✓ **Social Position:** Take prior permission from Head office and be careful in case of opening account for people who are Politicians, Customs, Technocrats, Judicial, Defense personnel, law enforcing agency, Income tax, Vat authority etc.
- ✓ **Occupation:** Type & nature of Business job nature and duration. Check the Trade License / employment documents. Take Prior permission from Head office and be careful when the occupation is in jewelry, Exchange House, Manpower, Courier Company, Hotel & Restaurant, Machine parts.
- ✓ **Income Level:** Check whether the level of income complies with the average industry income level for the sector and position where the customer belongs.

- ✓ **Address Level:** At least one of the addresses (permanent / present / work) mentioned in the account opening form should be verified by personal visitation of DSE or other officer of the Bank.
- ✓ **Purpose of opening the account:** Etc.

6.8. CUSTOMER SATISFACTION

The success of any product is largely dependent on customer's satisfaction and acceptance. Selling a product or a service is just the beginning of a relationship, which is to be built and maintained over the year. Only this way the sense of loyalty is established in customer's mind.

BRAC Bank Limited with the commitment to provide Excellence service in Banking always tries to offer better product to the customers as well as keeping in mind about the volatility of the market.

Here in this part I have shown demand of customer satisfaction is related with its customers' financial position and demand (by their occupation) and are they satisfied with BBL or not.

A SURVEY OF CUSTOMER SATISFACTION

6.8.1.1 RESEARCH APPROACH

I have conducted a survey on the people of different occupation. Today the demand of Deposit and loan is rapidly increasing. At the preliminary stage, only rich people were interested to take service from BRAC Bank. Now middle class segments are also interested to this sector. So I have surveyed on both high and middle class people. So I have tried my best to go through most of the places.

6.8.2. CONTACT METHOD

I have contacted to the persons individually with a questionnaires. Then I gave them both close-ended questions and open-ended questions. Most of the person gave answer of my entire question. Some did not because of their busyness and lacking of knowledge about loan procedure.

Sample Design

Sample design consists of three parts-

- a. Sample size
- b. Sampling frame
- c. Sample technique

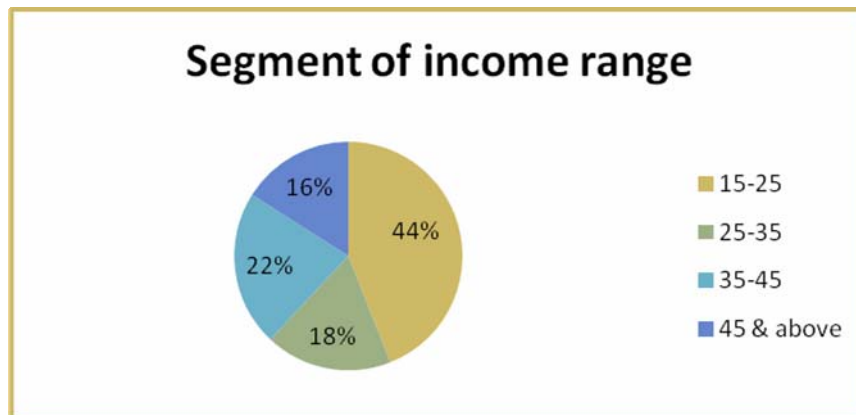
a. Sample size: for this research (the survey on customer satisfaction) the determined sample size is 100.

b. Sampling frame: Opening an account is depending on the occupation of the family. He may be a company owner of related to any other type of business and he may be service holder. So the survey is conducted on these persons – businessmen & service holders.

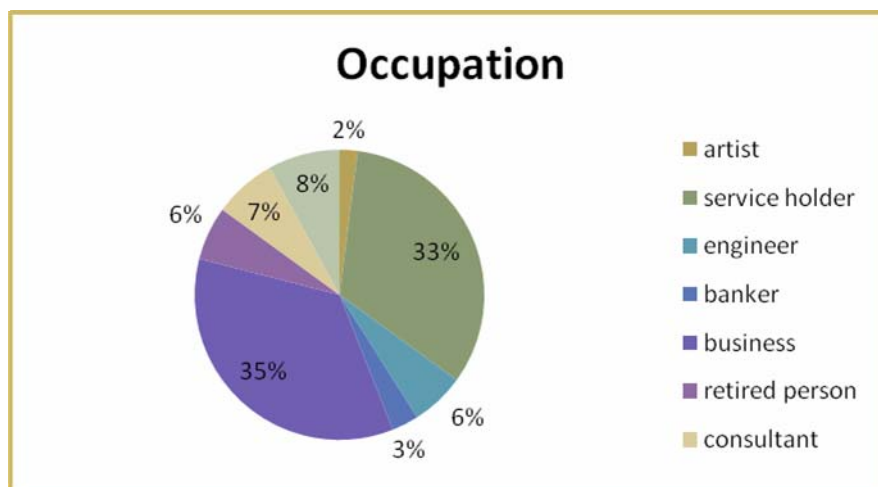
c. Sampling technique: For this research the researcher follow the convenience sampling. As here the main objective was to gather knowledge about the customer satisfaction.

RESEARCH INSTRUMENT

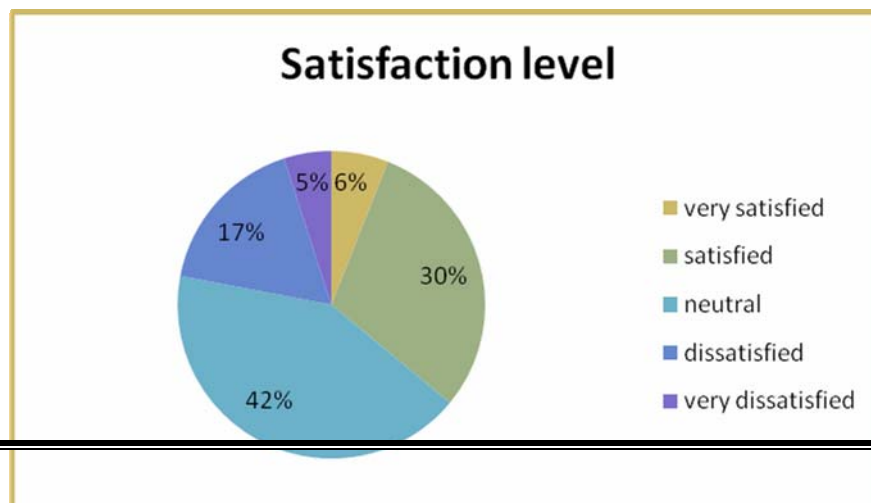
My research instrument was a printed questionnaire to which I gave both close-ended questions and open-ended questions. It is because to make an explanatory research and to easily interpret and tabulate our research work.



Graph-: Segment of income Range



Graph -: Occupation



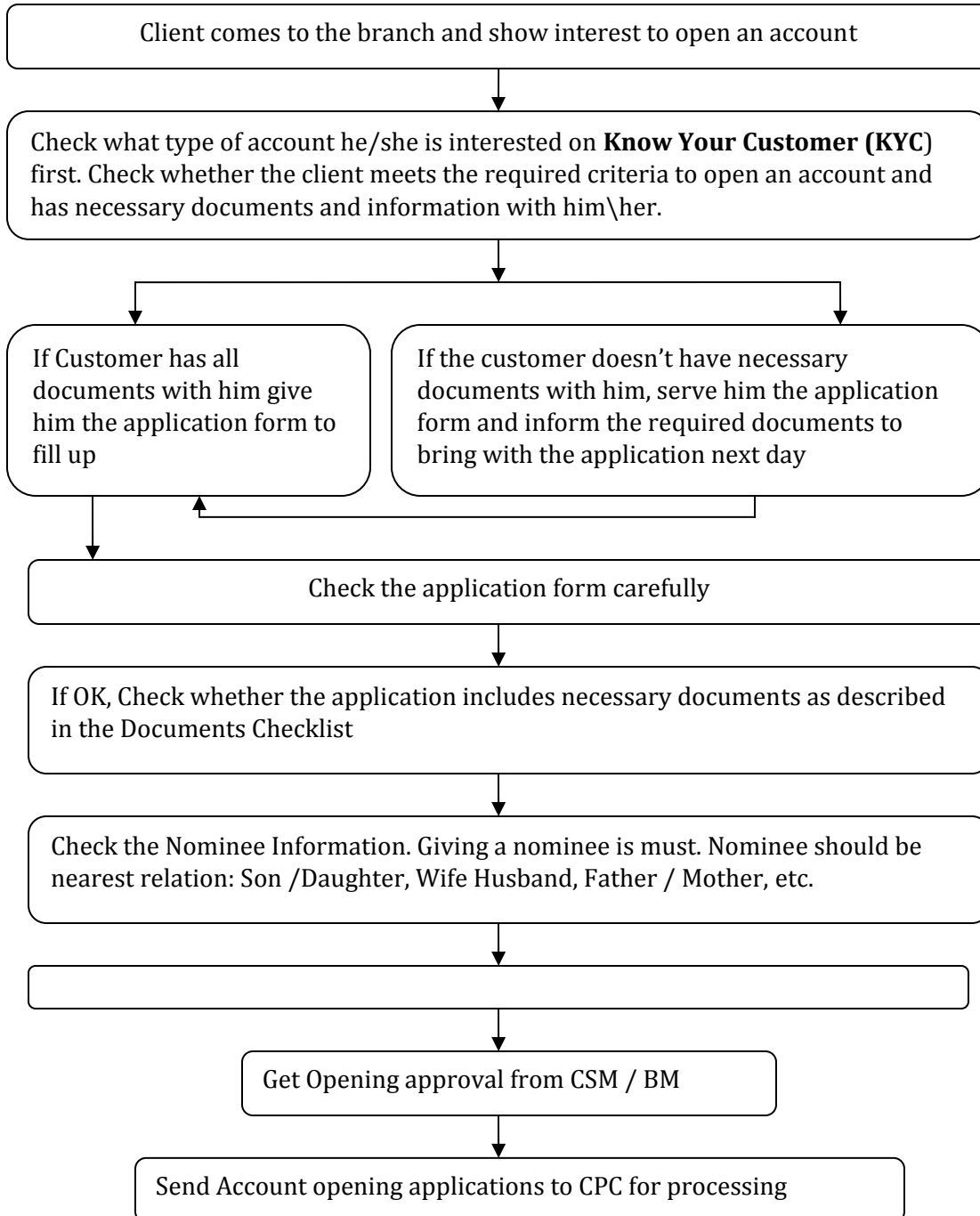
Graph: % of satisfaction Level

6.9. ORGANIZED DATA FROM THE SURVEY

Part	Description	TOTAL (%)
1)	Personal Information :	
-	Relationship with BRAC Bank	
	0-2 years	45%
	3-4 years	25%
	5-6 years	20%
	More than 6 years	10%
-	Occupation	
	-Artist	1
	-Service Holder	33
	-Engineer/Architecture	6
	-Banker	2
	-Business	25
	-Retired Person	3
	-Consultant	1
	-Others	8
-	Age Range of 21-30	34
	Age Range of 31-40	39

	Age Range of 41-50	17
	Age Range of above 50	3
-	Income Range of 15 – 25 ('000)	41
	Income Range of 25 – 35 ('000)	17
	Income Range of 35 – 45 ('000)	20
	Income Range of above 45000	15
-	Refer BRAC Bank to the Friends/Relatives	
	Yes	55
	No	45
2)	Features: (Average Result)	
-	Fully Satisfied With Performance	6
	Satisfied With Performance	30
	Neutral With Performance	42
	Dissatisfied With Performance	16
	Fully Dissatisfied	1

6.10. POINTS TO BE CHECKED IN THE TIME OF ACCOUNT OPENING:



6.11. ELIGIBILITY

- ✓ Bangladeshi National
- ✓ Foreign National

- ✓ Major (age above 18 years)
- ✓ Age Limit Vs eligibility
- ✓ Allowed Currency of operation
- ✓ Eligible to sign (thumb impression maybe acceptable in some banks)
- ✓ Business Entity operating in Bangladesh
- ✓ Satisfactory “KYC” understanding
- ✓ Having Sound documentation for A/C opening as per bank’s policy

7. MARKETING ACTIVITIES OF BBL

7.1. CURRENT MARKETING ACTIVITIES

The current market activities of BBL are as follows:

- Promoting their existing product through their branches and outlets.
- BRAC Bank Participates in 1st Bangladesh Remittance Fair at Chittagong.
- BRAC Bank receives the prestigious DHL – DAILY STAR BEST BUSINESS AWARD.
- BRAC Bank donates Tk. 50 Lacs to ICDDR, B's Dhaka Hospital.
- BRAC Bank & Persona Organizes a Workshop on Beauty Solutions.
- BRAC Bank Sponsors a Workshop for Professional Women.
- BRAC Bank Launches its “Premium Banking Lounge”.
- BRAC Bank Distributes Prizes of Wall Magazine Competition to commemorate the event of International Women’s Day 2010.
- BRAC Bank signs MoU with Apollo Hospitals Dhaka.
- BRAC Bank gets ICAB National Award.
- BRAC Bank receives National Award as the Highest VAT payer for the financial year 2007-2008.
- BRAC Bank participated in Career Fair.
- BRAC BANK CALENDAR 2010.
- Launching of SMS and Internet Banking.
- Bangla Academy recognizes BRAC Bank for its support.

7.2. MARKETING MIX

<p>PRODUCT</p> <p>Corporate Bizness account</p> <p>Personal Banking</p> <ol style="list-style-type: none"> 1.Aporajita Account 2.Triple Benefit Savings Account 3.Car Loan 4.Deposit Pension Scheme 5.Ezee Account 6.Campus Account 7.Education Loan 8.Money Multiplier 9.SME 	<p>CHARGES</p> <p>Savings rate 4%, 5%, 7.50% etc. Debit card fee 520+15% vat Account Maintenance Fee 920-1400 tk. Short term 6.00% Tk 4 for every check leaf. Personal loan rate 18%</p>
<p>PROMOTION</p> <p>Different Kinds of Promotional Activities</p> <ul style="list-style-type: none"> - CSR activities - Leaflet, prospectus - Newspaper - Award - Workshop 	<p>PLACE</p> <p>99 Branches, 112 ATM Booths and 429 SME Unit office</p>

7.3. SOCIETAL MARKETING CONCEPT

Society, Customer and Profit these three are the factors of societal marketing concept.

Overall marketing size

In local office of BRAC bank ltd. the customer base has expanded to 400,000 depositors. Among these customers there are individuals, corporation, NFBI, govt. bodies, NGO, autonomous bodies etc. but most of the customer of Dhaka bank is corporate customers.

Annual market growth rate:

The product quality of BRAC bank is high. They have different kinds of product and them always tries to ensure good quality products for their customers.

Brand reputation:

The brand reputation of BRAC bank Ltd. is also high. They have 9 years experience in banking sector. And in this period of time they tried to provide their customer verities of good quality products and services. Patience, focus, transparency, goal, experience, loyalty, care, sincerity, foresight, punctuality, trust, and knowledge these 12 commitments help the bank to create a strong brand.

Distribution network

The distribution network of BRAC bank Ltd. Is strong enough to distribute the marketing activities of the bank throughout the country. So far BRAC bank has 56 branches and 112 ATM booths all over the country from which they are doing their marketing activities. Other than this they are participating in different occasions and events and promotional activities to promote their bank. The bank is also participating in social welfare activities and charity show.

8. PRODUCT PROMOTION

Strategic Promotion Plan

BRAC Bank select both type of qualitative and quantitative promotional tools for their product promotion.

8.1 QUALITATIVE

Qualitative Promotion plan is the future goals of BRAC bank what they will try to achieve within the next few years. BRAC bank set short-term goals for 5 years & within that period of they devote all their resources & skilled manpower to avail the desired goals or targets. After the introduction BRAC bank has proved itself the leading small loan provider to small businesses & entrepreneurs in this industry. BRAC bank does not want to confine its business only to taking deposits & giving away loans but it has a well-diversified plan to deliver all the services provided by any multinational bank. BRAC bank's ultimate goal is to become the market leader in banking industry & to reach the apex it has the following short-term goals.

8.1.1. Promotional Tools: Now days a business or organization success totally depends on what the promotional tools they using for their service or product. BRAC Bank use Billboards, Brochures, Leaflet, prospectus, Newspaper and on road advertisement for the promotion. BRAC Bank's BSSO (Branch sales and Service Officer), CRO (Client Relationship officer) and Sales people is the main promotional party. BRAC bank has a satisfied customer segment they also promote the product to other client.

8.1.2. Geographic Expansion: For any successful business expansion is an inevitable part of the strategic plan. Crossing the border or define geographical boundaries indicates the growth of the business. BRAC bank started with a mission statement "The Fastest Growing Bank". Indeed it is growing very rapid pace. BRAC bank is planning to set Branches to more than 60 districts within the next 5 Years. BRAC bank also established a branch in Afghanistan to prove its capital strengths compare to other local banks.

8.1.3. New Customer Segment: BRAC bank is blessed with a high degree of corporate clients & household savings. BRAC bank is now trying to identify new segments & customer groups to facilitate its rapid expansion. The bank's highly talented HR unit discovers that a large number of private university students belong to mostly affluent families. So they found potential business opportunity there if they can make ATM card available for this segment. To make this plan a real

success BRAC bank has appointed highly motivated & energetic sales force & they are running various promotional campaigns in several private universities.

8.1.4. New POS, Booth: BRAC bank already established ATM booth to as many as 112 locations. By the end of 2009 they are going to set ATM booths to more than 200 locations across the country. BRAC Bank is also providing point of purchase (POS) facility. This is nothing but making instant payment for the purchase at the location of purchase. Famous brands like Artistic, Aarong, DIA gold, PQS etc are now part of POS service. BRAC bank is planning to collaborate with at least 30 more brands to take the POS facility.

8.1.5. Branded Card: BRAC has a plan to collaborate with VISA & Master Card to provide Branded card to their Corporate & High Class clients.

8.2. QUANTITATIVE

The company's Quantitative Promotional plans are the objectives of the company that they must achieve within a particular time frame. The bank's primary concern is making profit & thereby assisting the high growth potentials. At present the bank has 400000(two hundred thousand) deposit holders of various kind & the bank will try to get another 100000(one hundred thousand) clients in the coming 1 years.

8.2.1. Increase sales: Revenue is the heart of any business. A bank's main source of income is the interest earned on loans provided, so a bank must have sufficient fund to provide loans & maintain strong liquidity positions. The main source of fund is the deposits of clients to various accounts like savings, current, fixed deposit scheme etc. Recently Brac bank has taken massive promotional programs to entice a vast group of customers to accept various services it offers. ATM card adds a new dimension for BRAC bank to give more value to the existing clients as well a new segment which is first time introduced by BRAC in Bangladesh called campus account, which is nothing but providing ATM card to university students with an initial balance of only Tk 2000.

8.2.2. SELLING STYLE: FOR TRANSACTION ACCOUNT: NEW BUSINESS SELLING

Actually the concept of BRAC ATM is totally new in Bangladesh. It came to the ATM market at the beginning of 2005. AS the products are new so they are following new business selling style for their ATM card, which is under TA (Transaction Account).

8.2.3. For (High Network) HNW: Missionary Selling

HNW (High Network) sales manager deals with the sale of bulk customers like a corporation where they follow Missionary Selling.

For new business selling the BRAC sales executives need to be very creative and enthusiastic. So they have to do their homework about the prospect on and on under the supervision of Sales Manager and Sales Team Leader.

For Missionary Selling BRAC Bank basically send a bit higher level sales officials sometimes the Sales Manager as they deal with Bulk customer.

BRAC bank has now mainly four group of customer:

1. Existing customers
2. Students
3. Women
4. Businessman

9. RECOMMENDATIONS:

After analyzing the promotional techniques of BRAC Bank Limited I recommend the following strategy that will increase the product selling of BRAC Bank Limited.

9.1. Strategic Sales plan

Ensure more integration

As personal selling is a part of promotional mix so it should capitalize the other form of advertisement like POP (Point of Purchase) and Outdoor (Billboard) therefore it would treat as an aid to other marketing activities. Now many bank use TV for promote their product BRAC Bank can also use this channel to promote their product.

9.2. Basic Selling style

Introduce Technical Selling

This will deal primarily with the established accounts and aims to increase their customer service by providing technical assistance. As ATM Card needs a machine called Automated Teller Machine, which requires some technical knowledge to operate so BRAC Bank can have a Technical Salesperson in all of their ATM booth and POS.

9.3. Sales Territories

Should introduce more control unit

Local – All districts (city)

More branches in Dhaka, Chittagong, Sylhet

Foreign: Afghanistan

Should introduce more ATM booth and POS

9.4. Job description

- More supervision should be given
- Should monitor the progress of the trainees and feedback them on a continuous process

9.5. Organizational Structure

We are recommending less management level while more sales manager based on the territory both current and future and under that there will be sales person directly reporting to the sales manager. So there will be more span of control and more decentralization, which will be cost effective and time savvy.

9.6. Training

Can implement OJT – On the job training both Mentoring and job rotation. Also can implement Behavioral simulation; role-playing as promotional training method. Give more training on the issue ‘How to promote a specific product to the customer’, ‘Wining a customer’. Branch sales and service officer need to more specialized training on customer behavior and mind understanding.

10. SWOT ANALYSIS OF BBL

SWOT ANALYSIS

SWOT analysis is an important tool for evaluating the company's Strengths, Weaknesses, Opportunities and Threats. It helps the organization to identify how to evaluate its performance and scan the macro environment, which in turn would help organization to navigate in the turbulent ocean of competition.

10.1 STRENGTHS

Company reputation

BRAC bank has already established a favorable reputation in the banking industry of the country particularly among the new comers. Within a period of 8 years, BBL has already established a firm footing in the banking sector having tremendous growth in the profits and deposits. All these have lead them to earn a reputation in the banking field

NGO name (BRAC)

BRAC is one of the largest NGO of the world and it is operating its activities in Bangladesh. BRAC bank is not a NGO bank but many people of them country consider it as a NGO bank like Grameen Bank which is not correct.

Sponsors

BBL has been founded by a group of eminent entrepreneurs of the country having adequate financial strength. The sponsor directors belong to prominent resources persons of the country. The Board of Directors headed by its Chairman. Therefore, BBL has a strong financial strength and it built upon a strong foundation.

Top Management

The top management of the bank is also major strength for the BBL has contributed heavily towards the growth and development of the bank. The top management officials have all worked

in reputed banks and their years of banking experience, skills, expertise will continue to contribute towards further expansion of the bank. At BBL, the top management is the driving force and the think tank of the organization where policies are crafted and often cascaded down.

Facilities and equipment

BBL has adequate physical facilities and equipments to provide better services to the customers. The bank has computerized and online banking operations under the software called Finacle banking operations. Counting machines in the teller counters have been installed for speedy service ant the cash counters. Computerized statements for the customers as well as for the internal use of the banks are also available.

Impressive branches

This creates a positive image in the minds of the potential customers and many people get attracted to the bank. This is also an indirect marketing campaign for the bank for attracting customers. 56 branches of the bank are impressive and are compatible to foreign banks.

Interactive corporate culture

BBL has an interactive corporate culture. Unlike other local organization, BBL's work environment is very friendly, interactive and informal. There are no hidden barriers or boundaries while interacting among the superior or the subordinate. The environment is also lively and since the nature of the banking job itself is monotonous and routine, BBL's likely work environment boosts up the spirit and motivation of the employees.

Team work at mid level and lower level

At BBL's mid level and lower level management, there are often team works. Many jobs are performed in groups of two or three in order to reduce the burden of the workload and enhance the process of completion of the job. People are eager to help each other and people in general are devoted to work.

10.2 WEAKNESSES

Advertising and promotion of SME loan

This is a major setback for BBL and one of its weakest areas. BBL's advertising and promotional activities are satisfactory but its SME loan is not advertised well. It does not expose its SME product to general public and are not in lime light. BBL does not have neon sign or any advertisement for SME loan in the city. As a result people are not aware of the existence of this bank.

Low remuneration package

The remuneration package for the entry and the mid level management is considerably low. The compensation package for BBL entry level positions is even lower than the contemporary banks. Under the existing low payment structure, it will be very difficult to attract and retain higher educated employees in BBL. Specially CRO's are not satisfied with compensation package provided to them.

10.3 OPPORTUNITIES

Diversification

BBL can pursue a diversification strategy in expanding its current line of business. The management can consider options of starting merchant banking or diversify in to leasing and insurance. By expanding their business portfolio, BBL can reduce their business risk.

Product line proliferation

In this competitive environment BBL must expand its product line to enhance its sustainable competitive advantage. As a part of its product line proliferation, BBL can introduce the following products.

ATM

This is the fastest growing modern banking concept. BBL should grab this opportunity and take preparation for launching ATM. Since BBL is a local bank, they can form an alliance with other contemporary banks in launching the ATM.

10.4 THREATS

Multinational banks

The emergence of multinational banks and their rapid expansion poses a potential threat to the new growing private banks. Due to the booming energy sector, more foreign banks are expected to arrive in Bangladesh. Moreover, the already existing foreign banks such as Standard Chartered are now pursuing an aggressive branch expansion strategy. This bank is establishing more branches countrywide and already launched is SME operation. Since the foreign banks have tremendous financial strength, it will pose a threat to local banks.

Upcoming banks

The upcoming private local banks can also pose a threat to the existing private commercial banks like BBL. It is expected that in the next few years more local private banks may emerge. If that happens the intensity of competition will rise further and banks will have to develop strategies to compete against an on slaughter of foreign banks.

Contemporary banks

The contemporary banks of BBL such as Dhaka bank, prime bank and Dutch Bangla are its major rivals. Prime bank and other banks are carrying out aggressive campaign to attract lucrative clients as well as big time depositors.

11. FINDINGS AND PROBLEM IDENTIFICATIONS

FINDINGS OF THE STUDY

From the view point of Porter's 5 forces a conclusive result regarding the potential profitability of the BRAC Bank is identified:

- ✓ As the threat of new entrants is high that means competition will be increased in the future, which will reduce the profit.
- ✓ Power of buyer is minimum in the banking industry that will increase the profit.
- ✓ As the power of suppliers is ignorable, it cannot influence the profit. So, with this force we cannot predict the potential profit.
- ✓ Threat of substitutes is low which obviously give positive sign for predicting a potential profit.
- ✓ If the intra- industry rivalry will increase at an increasing rate and it create a unhealthy competition then it will surely reduce the profit.

From the view point of **financial performance**

- ✓ Increasing trend in foreign exchange business, profit and investment position.

From the view point of **performance analysis**

- ✓ Interest income has the most influence on loan amount than deposit amount.

From the view point of **comparative analysis**

- ✓ Though BRAC Bank has a positive trend but Prime bank is doing better because its cost of fund is lower and interest rate is lower.
- ✓ Credit risk is now stabilizing in BRAC bank but sill needs to be more Considerations.

From the view point of **customer satisfaction**

- ✓ Most customers are satisfied with BBL's product.
- ✓ Wide range of customer groups in terms of age and occupation.

Some Other Findings

- ✓ The Bank had also extended long term loan to a number of projects under syndicated financing arrangement with banks and financial institutions.
- ✓ BRAC Bank Limited had a pioneer role in providing necessary finance to the fixed income group for buying items that are necessary for raising the quality of living through its Consumer Credit Scheme.
- ✓ The Bank provide incentive bonus to its employees on the basis of profit earned during the year. This year the Bank provides five time's basic salary as the incentive bonus to its employees and two festival bonuses which motivate its employees to perform their activities effectively and efficiently.
- ✓ The employees of the Bank are Young, energetic, cooperative and friendly. Their dealings with the client are cooperative and friendly which creates attractive perception about the client and interest to do business with the Bank.
- ✓ Because of the strong marketing effort of BBL the deposits amount has increased. For this even when competition has increased due to the intrusion of some new local banks, BBL has become successful to keep its strong position in credit division.
- ✓ BBL also gives preferences to its local customer through its marketing efforts. The number of branches of PBL is comparatively higher than other illustrative banks. As a result it covers a higher market segment and sector of the whole country.

Identification of Some Problems

- ✓ Pressure from Directors and Politicians for Credit

- ✓ Lack of Deposit for Credit Extensions:
- ✓ Loan default culture in Bangladesh.
- ✓ Defective Legal System.
- ✓ Higher cost of fund.
- ✓ Lack of Supervision and Monitoring:
- ✓ Changes in Policies
- ✓ Lower Remuneration Structure
- ✓ Insufficient employees for this reason the bank do not provide sufficient service to its potential customer. Mainly in pick period the presser of customer is very high.
- ✓ Sometimes car parking problem.
- ✓ As the lack of employee, they do not give time to the potential client for his (client) own Interest, sometime some employees misbehaved to the client.
- ✓ Introduce problem is a great problem most of the employee does not help the new client as an introducer.
- ✓ Careless of the bank if the client's good became damage most of employees do not agree to provide compensation.
- ✓ Most of the employee does not accept torn taka from the potential client.
- ✓ Limitation of proper training for this reason most of one department employee do not know the other department's work properly.

12. OBSERVATION AND RECOMMENDATION

Recommendations

BBL is a well established Bank in Bangladesh. It is providing maximum services to the customer then other Bank. But it has some limitation that is mentioned above. I want to give some suggestion to remove these problems or reduce these problems BBL should increase manpower. Not only Gulshan but also other branches need more employees to provide maximum service. At least general banking department and cash department the Bank should provide sufficient employee.

The concluding remarks on the above mentioned topic, its discussions, analysis and evaluation are as follows with recommendation:

- ✓ Setting proper planning for each and every work as well as for the whole department. Managerial supervision is also wanted to increase.
- ✓ Reduce the service charge for account and other service charge. Because most of the customer complaint about over charging ex: Statement issue charge.
- ✓ Proper maintenance of files and necessary files and documents on daily basis.
- ✓ Separating Card department and concern operation because in most of the department BSSO doing all types of customer related works.
- ✓ Ensure that every one working in Software knows it properly and giving them personal ID.
- ✓ Changes in banking policies will not be sufficient the purposes unless it is followed by a change in the attitude and outlook of both the customers and the bankers.
- ✓ BRAC Bank Limited should be enforced to expand its activities and loan programs in the rural areas to serve the national interest.
- ✓ Diversification of the loan portfolio is, of course, the key to lowering overall credit risk. Default risk can be lowered through diversification of credit programs at each and every corner of the economy as best as possible. So the BBL should diversify the loan portfolio to reduce risk.

- ✓ BBL should introduce prime rate for the best customers which will attract the good customers. It is observed that irregular borrowers are given facilities like loan rescheduling, time extension etc. But a regular customer does not get any facility.
- ✓ For motivating the employees to perform their activities efficiently and effectively BBL should restructure the remuneration structure of the employees.
- ✓ Since the lending rate of BBL is comparatively high, it can attract more customers by lowering the rate of lending
- ✓ If the bank wants to provide services to the customer easily and comfortably it should increase the number of branch and should it place in a suitable situation when the client come and parks their cars easily.
- ✓ Introducer is an important factor for open an account most of people do not have introduce but they wants to deposit money to the bank so for increasing deposit the employee should do their function.
- ✓ To reduce the bad character of employee the bank should provide physical training. Another reason of misbehavior is lack of employee. The present employee became fad up and they misbehave to the client.

13. CONCLUSION

We moved a long way from the time when the banks were deposit taking and money-lending institution. The old concepts, attitudes and methods in banking have undergone a marked change all over the world. Modern Banking is an outcome development driven by changing financial activities and lifestyle. Bangladesh has not lagged behind. Banks are required to participate in the nation building activities and act as agent for bringing about socioeconomic changes.

Entering as a new bank in private banking scenario of Bangladesh, BRAC Bank is constantly try to cross the obstacles regarding typical business oriented ideas and come up with innovative curtailed to its Consumers need to harvest maximum benefit for them. BRAC Bank Limited is a third generation bank inaugurated on 4 July 2001 with a mission of providing best banking service in the country to enhance economic activity.

In the world of global economy, banking needs have become more diverse and exotic than ever before. In this regard BRAC Bank promises to fulfill every possible Customer needs with high quality service and satisfaction. This success has resulted from the dedication, commitment & dynamic leadership of its management over the periods. To become market leader in providing banking services, introduction of sophisticated banking instruments i.e., on line banking services, ATM services is a demand of time.

BRAC Bank is maintaining its competitiveness by leveraging on its on line Banking Software and modern IT infrastructure. It is the pioneer amongst the local banks in introducing innovative products like SMS Banking, Phone Banking, and Internet Banking and so on.

Though having some drawbacks the bank's overall performance is satisfactory. I wish a prosperous future for the Bank.

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- ❑ www.bangladesh-bank.org

APPENDIX

QUESTIONNAIRE

A Survey on Customer Satisfaction & Preference

BRAC University

BBS Department

Surveyed By: _____

(Please Put a Tick Mark in your selected one)

Personal Information:

1) Your Relationship with BRAC Bank:

a) 0-2 years b) 3-4 years c) 5-6years d) 6or more years

2) In which age group do you belong?

a) 21-30 b) 31-40 c) 41-50 d) 51 or more

3) What is your occupation?

4) Your income range-

a) 15,000-25,000 b) 25,000-35,000
c) 35,000-45,000 d) Above 45,000

5) Did you recommend BRAC Bank to your relatives/ Friends / Colleagues?

a) Yes b) No

Features:

1) How satisfied are you with the quality of customer service department?

a) Very Satisfied b) Satisfied c) Neutral d) Dissatisfied e) Very Dissatisfied

2) How satisfied are you with the Token system that determines your handover time?

- a) Very Satisfied b) Satisfied c) Neutral d) Dissatisfied e) Very Dissatisfied

3) How satisfied are you with the product Knowledge of customer service officer?

- a) Very Satisfied b) Satisfied c) Neutral d) Dissatisfied e) Very Dissatisfied

4) How satisfied are you with the fees/service charge of the bank?

- a) Very Satisfied b) Satisfied c) Neutral d) Dissatisfied e) Very Dissatisfied

5) How satisfied are you with the phone banking service?

- a) Very Satisfied b) Satisfied c) Neutral d) Dissatisfied e) Very Dissatisfied

6) How satisfied are you with the way of issue / encash fixed deposit service?

- a) Very Satisfied b) Satisfied c) Neutral d) Dissatisfied e) Very Dissatisfied

7) How satisfied are you with the system of Pay Order?

- a) Very Satisfied b) Satisfied c) Neutral d) Dissatisfied e) Very Dissatisfied

8) How satisfied are you with the delivery method of Cheque book/ FDR Receipt/credit card/Bank Statement?

- a) Very Satisfied b) Satisfied c) Neutral d) Dissatisfied e) Very Dissatisfied

9) How do you feel when you come to a BRAC Bank Branch?

- a) Very Satisfied b) Satisfied c) Neutral d) Dissatisfied e) Very Dissatisfied

□ External Factors:

1) If changes are needed than what type of changes you recommend?

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2) Any other Suggestions?

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Thank You