



## **Internship Report**

**On**

**Challenges of introducing new software for account opening:**

**A case study on Mutual Trust Bank Ltd.**



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## Letter of Transmittal

August 31, 2017

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Subject: Submission of Internship Report.

Dear Sir,

I would like to take the opportunity to thank you for your guidance and support you have provided me during the course of this report. Without your help the report would have been impossible to complete. With deep gratitude, I would like to acknowledge the help provided by (First Assistance Vice President) Ms Banadana Rani Roy.

I would really be grateful if you enlighten me with your thoughts and views regarding the report. Also, if you wish to enquire about an aspect of my report, I would gladly answer your queries. Thank you again for your support and patience.

Yours Sincerely,

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## **Executive Summary**

The principle objective of this report is to figure out the Challenges of introducing new software for account opening. This topic was chosen because day by day technology has become more updated to make a match with the modern technology we need to develop our every sector with technology as a developing country. Banking is one of the most important sector than need to be updated by the technology. Mutual Trust Bank Ltd. of Bangladesh also trying to updated their system and process. That's why they have taken decision to update their account opening software. Through this process of updating software the bank has follow so many steps to complete the updating process. In this case study I have tried to explain all those steps. Mutual Trust Bank Ltd. has formed a team who are responsible to complete the whole process. I have gathered all this data and information by taking an interview of First Assistance Vice President Ms Bandana Rani Roy of general banking. Findings of each objective has given a valuable progress to the case study. All the findings has their own logic to support the objectives. But it is very natural that case study has some limitation also the bank does not want to be making their updated software generalize. If it happen the first attack will be fall on the security as the bank updated the software to providing batter service to the customer and hopefully it will meet the requirement. Mutual Trust Bank Ltd. has taken the decision to update the software after a long time as they were facing many problems to improve their quality. So if the software get generalized the improve quality of the bank will be meaningless. After that the bank will not get any benefit from the software. Therefore through my study I have try to explain why bank need to update the software, how they replace the software, challenges face to update the software, overcome process and benefits to update the software. Again I have explained all the logical findings of the objectives the support my case study.

## **Mutual Trust Bank Limited: An Overview of the organization**

Mutual Trust Bank is one of the best performing and cost effective banks in Bangladesh. In 1999, the bank is incorporated as a public limited bank. The bank gets the license on the same year by Bangladesh bank. The head office of mutual trust bank is situated at Gulshan, Dhaka. Now the bank has 95 branches all over the country to serve the people.

The bank is organized and specific to have their vision and mission. The vision of Mutual Trust Bank is known as MTB3V. The bank is already one of the best performing banks, customer shares their satisfaction about the service of the bank and the dream is to make Mutual Trust a truly world class bank. To make the dream true, each and every employee is working hard by following their mission. The bank always try to come up with innovative idea and better service to attract the client and to create a impressive economic value the bank emphasis on their product.

As a bank, Mutual trust shares some commitments with shareholders, community, customers, and employees. The commitment to the shareholder is to keep the economical value sustainable for the well-being of the shareholders. All the company has a compulsory responsibility to serve the society. Mutual Trust bank is serving our society by creating job, participating many social events, contributing in economic development. After that comes customer, most important element of the bank. The bank is committed with the customer in that way that customer satisfaction will be the priority of the bank. Last but not the least is employees. The bank assures that, the relationship with each employee will be honored no matter in which position the employee is.

Mutual trust bank tries to maintain accountability, agility and have faith on mutual trust. The bank is strict for practicing ethical banking. For well-being of the committed people and to achieve goal, the bank always ready to response and adjust their condition and also emotion.

I have completed my internship in Mutual Trust Bank and there I worked under general banking. In the department of general banking mainly I engaged with new account opening, clearing and transforming check, providing customer service.

## **Introduction**

The case study on Mutual Trust Bank has a significant purpose and importance. The case study is about the challenges faced to introduce new account opening software in an existing business. At the stage of discussion I highlighted some of the points. One of point is why the bank needs to updated the software. We cannot cope with the running world until we have the modern technology. Nowadays without technology, we cannot imagine our life. In this modern era banking sector is also included to use technology. Now Mutual trust bank had their software for account opening but they were facing a lot of problem such as they cannot meet the regulatory requirements of Bangladesh Bank, cannot meet the business need, facing problem cope up with the increasing transaction etcetera. Apart from this, I have explained all the steps those were followed at the time of replacing software. A team including IT department was responsible for this regard. They started the process from collecting feedback about the limitation of the previous software from the users and all together they launched the software. Still nowthey are working for the proper installation of the updated software. After that, I have discussed about challenges those were faced after launching software like transforming data, uploading the new software in the rural are, employee were unfamiliar with software and so on. I have mentioned about all the possible solution specifically to overcome the challenges in the next phase. At last, all the benefits are explained of the updated software. The updated software ensures different kind of benefits such as it will improve the security system, reduce multiple similar data input. To gather all the information of the objectives, First Assistance Vice President (FAVP) Ms Bandana Rani Roy of general banking is interviewed. On the next stage, the findings of the case study are described. After that I have tried to mention some of findings about my overall case study that updating the technology is an example of using technology. We are using technology for reducing our work pressure but we need to keep in mind that we won't get bounded by technology.

## **Objectives**

To make a logical elaboration of the case study, I have tried to come up with some related objectives that support the title. All the objectives is one of the step that followed by the bank to update the software.

### **Objective#1**

#### **To know why the old system is replaced by the new account opening software**

Mutual trust bank is local and private bank of Bangladesh. Local bank of Bangladesh are still now not centralized. Every step they take indifferent branches are counted separately one of the core reason behind this cause is backdated software system. On the other hand, the multinational banks of Bangladesh are doing well and make their position strong and competitive by using updated software as they are providing satisfied customer service. On this note as a local bank Mutual Trust Bank has taken an initiative to introduce new account opening software replaced by the old one. Now why the Bank need to replace the old software, what problem they faced that they need to redesigned the account opening software. Therefore, in this report I tried to highlight the point that why the bank need to introduce new account opening software.

### **Objective#2**

#### **To know how the old system of account opening is replaced by the new software**

At the time of replacing the software, Mutual Trust Bank follow decided to follow a particular process to make it successful. It is natural that, at the time of taking a big decision it requires a lot of preparation and research. Mutual Trust Bank formed a team to make this process frightful and they have given the power that, they will take every single responsibility for taking any decision and how that decision is going to be applied. They make a strategy that how they are going to replace the old software with the new one so that it becomes effective to the user. As they already had an account opening software and they were going to replace it with the new one, they had some advantage such as they do not need to create new software. They are going to modify the software with new updated technology.

### **Objective #3**

**To know about the challenges which were faced to introduce the new software for account opening.**

There is a proverb that “no ricks no gain”. To do something new, everybody should face the ricks or challenges. In the case of, replacing the existing software Mutual Trust Bank also faced many challenges.

### **Objective #4**

**To know how the challenges were resolve**

When any problem occurs, there must be a way to resolve the particular problem. The responsible team along with the IT team of Mutual Trust Bank finds out all the possible solution to overcome the problem.

### **Objective #5**

**To know how the bank will be benefited by the new account opening software**

Updated technology always helps to make human life easy. Lots of function, features provides a support to the user, once the user is familiar with the technology. Same happens with Mutual trust Bank after installing the new software. At the beginning account opening officer were facing problem to use the software properly. Nevertheless, providing training to the officers for the updated software remove their hesitation to use the software. After installing the updated software the bank is benefited is many way.



## **Methodology**

The first objective of this study was, to know why the old system is replaced by the new account opening software. In order to achieve the case study's objective that why the old system is replaced by the new account opening software, the First Assistance Vice President (FAVP) Ms Bandana Rani Roy of general banking is interviewed.

The second objective was to know how the old system of account opening is replaced by the new software. First Assistance Vice President (FAVP) Ms Bandana Rani Roy of general banking provided me the information to know how the old process of account opening is replaced by the new software.

In the case my third objective was, to know about the challenges which were faced to introduce the new software for account opening. I've collected the supported information from First Assistance Vice President (FAVP) Ms Bandana Rani Roy of general banking to know the challenges faced to introduce the new software of account opening.

How the challenges were resolve during the replacement of old software was fourth objective. Again First Assistance Vice President (FAVP) MS Bandana Rani Roy described to me to know how the challenge were resolved to introduce the new software of account opening.

Last but not the least, to know how the bank will be benefited by the new account opening software was my final objective. First Assistance Vice President (FAVP) Ms Bandana Rani Roy explained me how the bank will be benefited by the new account opening software.

I have followed the interview process of methodology to collect all the required information and data.

## **Findings**

All the core findings of the each objective are given below:

### **Why the old system is replaced**

- Doesn't meet the latest regulatory requirements:

Every public and private bank of Bangladesh need to follow the instruction of Bangladesh Bank same goes for Mutual Trust Bank. Nowadays, Bangladesh Bank has brought many new updated rules and regulation in every sector such as preparing and submitting report to central bank, to make the transaction more secure and also for account opening system. The most important regulation and guideline for account opening system is Anti Money Laundering and Foreign Account Tax Compliance Act (FATCA).Anti-Money Laundering is the process by which the laws and regulation design in such way to stop the practice of generating money in an illegal movements. On the previous software, this money laundering system was hardly traceable. This latest software is designed in such a way that if this happens to any accounts of any brunch that it will be automatically give a notification to the account opening officer and the manager also. Now comes the FATCA issue, previously it happens that when any foreigner come to open account the account opening officer get puzzled that what to do with the form as the form was very complicated. In this new software, all the requirements and evidence are very specific and relevant. In addition the previous software cannot trace the identity card number of the foreigner but the updated one can trace any countries identity card automatically.

- Doesn't meet changing business needs

In this new era, business becomes change a lot. Now people are doing different kind job and that satisfying their customer. As customer satisfied they are doing profit. Old concept and thinking of business has been changed. Now customers do not need to come to shops to buy their necessary commodities, sellers are going to door to door to provide the satisfactory service to their customer. Therefore different kind of entrepreneurs needs a business account with different kind of facilities. The old software only can trace the as usual business account but the new software is planned in such a way that an account opening officer can provide out of box facilities to the customer.

➤ Is unable to cope with the number of users

Day by day people are getting more dependable on technology. In this modern age, as a developing country Bangladesh is also trying to make it digital. Bangladesh will be digitalized only one way when it will use technology in every sector for the development. In this recent age, people are aware about digitalization. And the government of Bangladesh is also trying to provide all its service through technology. For example, business of Bangladesh. Now businessmen are spreading their business from one side to another side of country and also they are crossing the borderline. When business deal happens, there comes the money issue. On this regard's businessmen are using bank's facilities. So businessmen nowadays have two to three bank accounts to get better service. Not only in public bank but also people are relying on private limited bank, Mutual trust is one of them. The numbers of users are increasing day by day. The previous software was unable to cope up with the increasing number of users. The officers also faced many problems when they opened more than four accounts each. Nevertheless, the new software is providing better service in the case of increasing number of users than the previous software.

➤ Struggles with the volume of transactions

Thousands of transactions happen in a bank within a day in the banking hour. Customers deposit or withdraw money, submit check to make it cash, open new account by submitting or creating minimum balance, take loan, pay installment different kind of transactions happen and with all of these another addition is online transaction. Customer can take this online service from a bank. All these transactions need to be adjusted by its requirements. If any error happens then it will be difficult to find out and another problem is when the problem is identified, it needs to be adjusted correctly in every single step. On the other hand, new software has a function that after a month all the transactions it keeps in another system, which will not be loaded in the next month's transaction so the space becomes load free to keep thousands of transactions. In addition if any error occurs, the account opening officer needs to correct the very fast input of the transaction then it will be automatically changed after the identification. Therefore the new software is simple and easy to understand.

- Old software data security system was comparatively poor

Bank needs to preserve all their data and document very carefully. The process of make any data or documents wastage is very conditional and bank hardly follows this process. Every single evidence is important and vital. Bank need to store soft as well as hard copy of every single move. It has no timeline. Further the security system for all the data and document is another important matter. All the data and evidence are confidential o the security system need to more strong. At the time of account opening a customer need to provide a lot of conditional documents to the bank. The account opening officer scan and verify all the documents after that they open the account. They store it by giving an account number and customer RM number. The account opening software of Mutual Trust Bank was comparatively poor. In the updated software the storing space and the process of storing is modified and the security system is more reliable and trustworthy.

- Is frequently running slow

Every software has its lifetime. After a certain period of time, particular software gets backdated as technology is changing in every single moment. New features make it more simple and convenient to the customer. Apart from this, after using software for a long time it become slow and the capacity power also go down. Same happens with the previous software of Mutual trust bank. At the eleventh stage the software cannot provide the support to the officers and it also takes time to upload any data or documents. In this recent days, the new software is working very fast as it is updated and modified than the previous software.

### **How the old system replaced**

- Collect feedback from the users (employees) of old system limitations

The main users of the old software are the employee or the account opening officer of the bank. Mainly account opening officer is the responsible for opening different kind of account. The team member selects them to collect their opinion and their experience bout the old software. They also maintained that the officers need to highlight only the limitations of the previous software. So that, they can overcome all the limitations. All the account opening officers give their valuable opinion about the limitations of previous software. According to this process the team gets succeed to collect data from the account opening officers.

- After collecting their opinion IT department design the software

After completing the first step, the team makes a short list for those limitations. The team set for a meeting with the IT department of Mutual Trust Bank. Before the meeting, the team prepared a Business requirement Document (BRD). In the document they clearly highlight all the replacement or update of the new software. In the meeting, they discussed that what replacement is required with the previous software. Based on the, BRD THE IT department prepared Functional Specification Document (FSD). In the FSD the IT department writes down all the function and logic that will make the software run properly. After having a final discussion on FSD they set for another discussion about costing. The team took the approval from the higher authority on the costing to update the software. Now the responsibility goes to IT department to design new software. The system is updated by different kind of replacement, those replacement are discussed in early objective.

- Perform User Acceptance Testing (UAT) to check the requirements

UAT is the most important step to replace or update any kind of existing software in a running business. Mutual Trust Bank is also doing the same so they need to go through this process. All the update of the account opening software whether meets the expected requirements or not it will be checked in this UAT process. It's a testing process before the software goes live. UAT for the new software mainly run for a certain period of time to check that the process is working properly based on the BRD. The updated software of Mutual trust Bank is also go through this process for one month and after completing all the checking process the software gets approval to go live.

- Launch the new software:

On 31<sup>st</sup> July the Bank launched the updated software.

## **Challenges faced to introduce the new software**

### ➤ Data transformation from Old system to new system

The existing software had all the recent data and documents. As the bank has many existing accounts, all account holder information and important evidence was stored in the previous software. After updating the software with new updates, the process had big risk to transfer data from the old software to new. As the data is stored by following the old process in the previous software, data can be lost or can be mismatched with other account in the new software because all the data will be uploaded in new version of the software. In addition, account has its different categories like saving account, business account, current account, deposit protection scheme, fixed deposit. All the accounts have its own requirements to carry by an account holder. Therefore, if it happens that any document get mismatch or get lost then it will be big challenge to fix it properly.

### ➤ Installing new software in the rural area creating problem

Mutual trust bank has its ninety five branches including the head office both in Dhaka and outside of Dhaka city. This bank has its branch in the rural area to serve the customer of those places. But it creates a problem to install the new software outside of Dhaka city mainly in rural area like branches of Habiganj, Feni. The main reason behind this is backdated technology on those areas. Their system is not updated. They prefer the manual process rather than using technology. Another vital problem is poor networking system. As the new software is the updated version of the existing software, it will carry a lot of option both to the officer and the customer. So it needs to be installed properly. At the time of installing the entire software was not installing properly. Therefore it becomes a challenge for the responsible officers.

### ➤ Introduce the new system with employees

Employees mainly the account opening officers are working for a long time with the previous software system. They follow all the previous rules to open an account. When new software installed, it introduce many updated features and requirements to open a new account. Officers became confused with many updates of the software. They did not have clear idea with the new software. For an example, regulatory requirements of Bangladesh Bank have updated lot. According to the new requirement the software is designed newly. But the account opening

officer is not familiar with this process. Naturally the officer fix in the situation like what to do. For that reason it will be a challenge to make the officers familiar with the updated software.

➤ Costing for new software

Mutual trust bank has their own software for account opening but for the latest requirement the software became updated by the new one. The bank bears a good amount of cost to make it happen. As the new software would not run without windows 10, computer of the rural worked with windows 7 so that first the team took approval from the board to install windows 10 on those computers. This step took time as well as a big amount of money. Again to update the software with the requirement, IT department demand some of their compulsory tools. The team arranges all the required tools from a trustworthy place by ensuring the good quality, as technical tools are very sensitive. In this purpose the team makes an expense. In addition, the IT department wanted to complete the project with their best possible effort so that they discuss with the team whether they can hire a specialist or not. The responsible team fixed another meeting with the higher authority on this regard and they appoint a specialist. So it obvious that, bank need to bear the fees of the specialist. Apart from this, the bank carried many other cost for this purpose. Therefore, it was a big challenge for Mutual Trust Bank.

➤ Uploading all the information in the new software was time consuming

All the existing as well as recent data and documents were stored in the previous software. Now there was another challenge that uploading all the information from previous software to latest software. From the very first beginning, the bank was using the previous software for account opening. So it is natural that a huge amount of data stored on the previous software. Now they are going to use the updated software but all the existing data is a vital requirement in the updated software. To transfer or upload all the data and documents in the latest software was very time consuming. The team including some account opening officer gave many extra working hours to make it happen successful.

## **How the challenges were resolve**

- Create a backup for the existing data

Transforming data from old software to new software was a big challenge. To overcome the problem the team finds out a way to create a backup for all the existing data. The tem decided to create another folder of the existing data before start the transforming. In this way they reduce the risk if any data or documents get misplaced then they can recheck.

- Still now working for providing high speed network

Installing new software in rural are still now is a big challenge. IT team is working behind it to install the new software. They are working to ensure the high speed of the network. Even it team visited some of the branches to check the problem physically. They ensure that if the speed of network become high then it will be easier to update the software.

- Provide training

Providing training is the only way to make will the account opening officer familiar with the updated software. They will learn from the trainee how to use the software properly as the updated software has lots of dissimilarity comparing with the previous one. The officers can have confusion about many terms and to know how to operate. Therefore, if all the officers get the training and follow the instruction properly, they can operator the software with better understanding.

- Keep a big part of the annual budget for this purpose

Updating the account opening software was a long-term plan of Mutual Trust Bank. At the board meeting on of the senior level officer propose the matter, higher authority discussed bout this matter and approve it. When the higher authority of Mutual Trust Bank set for to fix theannual budget, they decided to keep a good amount for his purpose. The responsible team and the IT department make expense from this budgets money to create updated software.

- Recruiting employee

The updated software has lot of option and the customer will get better facility comparing to the previous one. It will be difficult to provide service as before for an account opening officer. It will take a long to handle one customer as the form is different and customer need to provide



more documents than before. Apart from this, when the officer input all the information in the software it will also take time because there is lots of information that need to be filled up. Therefore the authority is going to recruit employee as an account opening officer.

### **Benefit the account opening software**

#### ➤ Improved The Security System in The Current Software

An account holder needs to provide confidential document to the bank to open an account. Apart from this an account holder does complete many transactions by using the account. All these transaction record need to store in a save place. Further, general people prefer bank only for the security that provided by the bank. Providing security to the every step related to the bank of a customer is very important. The security system of the previous software was good but not updated by time. The percent updated software is designed such a way to keep the security system in their first priority. If any improper transaction happens to any account, it will provide a notification to the account opening officer, manager and also to the head office. Apart from this, if any employee or outsider tries to lick any information in an improper way then it will also make a notification. Therefore the security system improved a lot for updating the software.

#### ➤ Reduce Multiple Similar Data Input

Every single transaction need to be adjusted in different places of the software to make the final report. In the previous account opening software all the transaction of any account holder need to input separately to make the statement. The employees need to input all the transaction twice, first they need to mark on the specific account and second on the final statement. In this latest software this problem has been solved. Now the employee need to input all the transaction in the first stage after that it will hit all the required places of the software.

#### ➤ Chances of Lost Documents is Reduced

In the previous account opening software the security for the account holder document and also for other data was strong and trust worthy. And in the latest software the IT department also tried to give the first priority to the documents. They designed the software in such way that the software will store all the documents in two different systems. And if any employs tried ti misuse

any documents it will make a alert sign in the software so that the manager get the information including the head office.

➤ Improve Audit Capability and Competency

The new software is more transparent comparing to the previous software. Sometime employs keep their work pending and complete it before the audit tem comes. It will create huge pressure on the employs as well as on the office daily work. It hampers the customer service also. Sometimes employees try to lick information or get corrupted and audit team cannot catch them. To keep all these matters in mind, the software is designed so that employee completes his daily work. As the software is more transparent it increases the audit capability.

➤ Restructure Business Operations and Account

The new account opening software will restructure the business operation and account. As the updated software reduces the work pressure and also the complexity, it will improve the efficiency of the employee. Employees of the account opening sector will be less stressful with their work. This software will restructure the accounts as their will more facilities and flexibility for the customer. Now the bank can provide the better service to the customer. At last, it will increase the office productivity of Mutual Trust Bank.

## **Conclusion**

Account opening is the first step to create bonding with customer. As much as a bank has account on their bank, it helps to make more profit. Through this account opening process, bank offered different kind of product to attract customer. Many of the banks has separate servicing center to serve the customer. Therefore the entire bank gives their effort to offer different kind of facilities through their account opening process.

In the recent days, Mutual Trust Bank has updated their account opening software as the previous software was not meeting all the required necessity. When the bank has started working on this process they have faced many challenges. After installing the updated software the bank has recovered some of their problem and still now they are working on some of their problem. Now the bank is providing updated service to the customers and also ensuring their satisfaction. Apart from this, the competition among bank of providing service is increasing day by day. To make the position stronger of Mutual Trust is was an essential step. After completing the case study on Mutual Trust Bank it is cleared that to ensure the development of banking sector, it must be developed technically. As the banking sector has an important rule for improving the economy of our country it must be technically updated by time to compete with another country.

It was a great pleasure for me to have internship in Mutual Trust Bank. Without such a practical exposure, it would not have been possible for me to acquire such a practical knowledge. During the internship I have observed the function of Mutual Trust Bank that may help me to be a professional banker in future. I have learned about different products that are offered by Mutual Trust and since I was working under general banking which deal with account opening I got to know a lot about it.

Out of the above discussion a conclusion can be drawn which the present customer is dealing procedure is quite well at this moment and the updated account opening software makes the system efficient and effective.

## **Limitations**

The updates software of Mutual Trust Bank is providing better service to the customer and users of the software are also getting familiar. Account opening officers are getting huge support from the updated software. But at the end of the day, the software has some limitations too. The software cannot be generalized to all other bank. The reason behind it each bank has their own way of account opening. All of the bank has their higher authority and the thinking of individuals won't be same. Each of the banks has their unique way to improve their stage. Further, other bank can also claim that, they have their IT department; they will design their own comparing to having the same software as their requirements are different. Another point is if Mutual Trust Bank makes the software generalized then the security would be decreased a lot for the software. Again, Mutual trust has updated the software after a long time. It can be happen that, other bank has already updated the software before Mutual Trust. Beside this, the old customer of Mutual trust Bank will get some extra facility. The software is designed in such a way that, after transforming data it will create some division of the users according to the time. Therefore it will be not be possible to generalize the software.

All of the above, we hope that Mutual Trust Bank will improve their service and profit by time though the software has some limitation. Now users of the software have overcome most of the challenges and customers are also satisfied by getting different kind of offers, product and service.