Internship Report

On

General and Service Operations Activities at Islami Bank Bangladesh PLC

Submitted To

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Submitted By

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Letter of Transmittal

15th September, 2024

Dr. Saad Hasan
Associate Professor
United International University
United City, Madani Avenue, Badda, Dhaka

Subject: Internship Report on "General and Service Operations Activities at Islami Bank Bangladesh PLC".

Dear Sir,

With due respect, I am delighted to present my Internship Report titled General and Service Operations Activities at Islami Bank Bangladesh PLC. This report covers all aspects of General and Service related Banking activities within the bank, and I have strived to make it both informative and meaningful.

I think that this report will satisfy the standards you have indicated for the INT4399 course.

Sincerely Yours,

Khan Minhazhul Islam
ID: 111191100
School of Business & Economics
United International University, Dhaka

Declaration By student

I, Khan Minhazhul Islam, declare that the entire internship report titled "General and Service Operations Activities at Islami Bank Bangladesh PLC" is written by myself. I can assure of not resorting to any form of plagiarism to complete this report. I can confirm that the report is written only for meeting the necessary academic obligations of Internship not for any other purpose.

Supervisor Certificate

This is to certify that this internship report titled "General and Service Operations Activities at Islami Bank Bangladesh PLC" is prepared by Khan Minhazhul Islam, ID-111 191 100 as partial requirement of Bachelor of Business Administration (BBA) Degree from the School of Business & Economics, United International University. The report can be accepted in terms of quality and form as directed by the university authority.

Dr. Saad Hasan
Associate Professor
United International University

Acknowledgment

I would like to thank my academic and work place supervisors at United International University and Islami Bank Bangladesh PLC for their support and mentoring. Furthermore, I would like to thank the BBA Program Office and faculty members who have supported me over the years. In addition, I would like to acknowledge customers of Islami Bank Bangladesh PLC who participated in my small sample survey and management and employees who helped me develop Service Map and apply Failure Mode Effect Analysis in the bank.

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Executive Summary

Islami Bank Bangladesh PLC (IBBPLC) people with money to invest it in ways that support economic growth, ensuring their savings are safe, easily manageable, and profitable. Recognized as a scheduled commercial bank by Bangladesh Bank, IBBPLC offers various services to individuals, businesses, & international clients.

The study aims to give an overview of IBBPLC, highlighting its strengths, risks, and weaknesses and uses service operations tools such as Service Mapping/Blueprint and Failure Mode Effect Analysis (FMEA) tool. It uses both primary data (from interviews with branch officers) and secondary data (from various publications). The main challenges of the study were limited time and insufficient verified data.

While many bank officers were experienced, some lacked a profound understanding of the values behind their work. It highlights the importance of combining devoted employees, technology & market opportunities to reach organizational goals. It concludes that achievement in banking depends on having clear policies and methods for assessing asset quality and loan suitability.

Chapter 1: Introduction

1.1 Introduction

The banking structure is vital to a nation's economy and a key component of Bangladesh society. Its significance in economic growth and financial markets in developed countries is clear. However, the global banking industry has undergone rapid transformations due to deregulation, technological advancements, and globalization. Unfortunately, the banking sector in Bangladesh has lagged in adapting to these changes. To stay competitive, it is essential to develop proper infrastructure and elevate the professionalism of banking services.

Islami Bank Bangladesh PLC is unique institution in South East Asia that operates according to Islamic Shariah principles. Dissimilar to other conventional banks, it does not offer riba to depositors but instead shares profits with them. It finances long-term projects through profit-loss sharing rather than charging interest.

Moreover, IBBPLC is involved in several public prosperity activities. The banking sector has become more attractive for careers due to better pay and a positive working environment in recent years. However, Bangladesh's banking sector needs to adopt these changes more rapidly. As a BBA student, I aim to chase a career in banking, and I chose IBBPLC because of its strong reputation in the sector.

Islami Bank Bangladesh PLC (IBBPLC) is the first Islamic bank in Southeast Asia. Its inception marked a significant development in the banking sector of Bangladesh, as it introduced Shariah-compliant banking practices in the country. Islami Bank Bangladesh PLC was established on March 13, 1983, under the Bangladesh Bank's Banking Companies Ordinance, 1962. The initiative to establish such a bank came from several quarters, including government officials, economists, and Islamic scholars, who saw the need for a banking system adhering to Islamic principles. The bank was founded with the support of prominent Islamic scholars, bankers, and economists. Its founding chairman was Shah Abdul Hannan, a distinguished Islamic economist and former bureaucrat of Bangladesh. Over the years, Islami Bank Bangladesh PLC expanded its operations and network across Bangladesh. It introduced various Islamic banking products and services to cater to the diverse financial desires of its customers.

IBBPLC has been at the forefront of innovation in Islamic banking. It introduced several pioneering products and services, including Mudarabah Savings Account, Mudarabah Term Deposit, and various Islamic investment schemes. IBBPLC maintains high standards of corporate governance and compliance with regulatory requirements. It is supervised by Bangladesh Bank, the central bank of Bangladesh, and operates within the legal and regulatory framework set forth by the government.

1.2. Background of the Study

This report discusses my findings and experience during my internship period at Islami Bank Bangladesh and details how IBBPLC's general banking works, especially at the GB department in the Gulshan Corporate Branch in Dhaka. Using my internship experience and what I observed, this document explains various general banking methods, strategies, and how they affect the bank’s performance.

Chapter 2: Company Profile

2.1. Chronological Background of Islami Bank Bangladesh PLC

Islami Bank Bangladesh PLC (IBBPLC), started in 1983, is the first bank in Bangladesh to follow Islamic shariah. It was created to offer banking services based on Islamic principles. Now, IBBPLC is one of the main banks in our country.

The bank focuses on upholding Islamic banking and offers many financial products and services like savings accounts, investment plans, and trade financing. All their services follow Islamic rules, such as not charging interest and sharing profits and losses.

IBBPLC has significantly impacted the banking sector in Bangladesh, helping to include more people in the financial system and boosting economic growth. The bank has many branches and ATMs nationwide, making it easy for people from all backgrounds to use its services.

Over the years, IBBPLC has received numerous honors and recognition for its contribution to the banking industry and society at large. It has also expanded its operations internationally, establishing branches and subsidiaries in various countries, furthering its mission of promoting Islamic banking principles globally.

Despite facing challenges typical of the banking sector, IBBPLC has remained resilient, adapting to changes in the regulatory environment and market dynamics while staying true to its core values of Islamic finance. With a commitment to innovation and customer satisfaction, IBBPLC continues to be a cornerstone of Bangladesh's banking industry, embodying the principles of Islamic finance in its operations and services.

2.2. Shariah Based Banking Movement in Bangladesh

In August 1974, Bangladesh agreed to adopt the rules of the Islamic Development Bank, necessitating changes in its financial and economic systems to comply with Islamic Shariah principles. By January 1981, during a significant Islamic summit in Mecca and Taif, the President of Bangladesh proposed creating a distinct banking system for Islamic nations to enhance trade and commerce, reflecting the government's support for Islamic banking. IERB and the BIBA played vital roles in training, organizing seminars, and gaining public support for Islamic banking through nationwide workshops. Overall, the mission of Islami Bank Bangladesh PLC revolves around promoting Islamic banking principles, fostering financial inclusion, adhering to ethical standards, serving customers effectively, ensuring sustainable growth, and contributing to the economic progress of Bangladesh.

2.3. Distribution of Branches

IBBPLC boasts an expansive network comprising three hundreds & ninety four branches, 249 sub-branches, and 2,771 Mediator Banking Channels. Additionally, it holds a leading position globally as the largest operator of Islamic microfinance. With 2,121 ATM booths strategically positioned across the country, its comprehensive network spans various divisions, as illustrated in the provided table detailing branch distribution per division:

Table 1. Bank branches in various divisions

Name of Division	Number Of Branches
Dhaka	111
Chottogram	74
Razshahi	48
Khulna	43
Sylhet	32
Barisal	37
Rangpur	28
Mymansingh	21

2.4. Shariah Board

The Shariah Board of Islami Bank Bangladesh PLC (IBBPLC) is a group of Islamic scholars responsible for ensuring that the bank's operations comply with Islamic principles and Shariah law. IBBPLC, functioning as an Islamic bank, operates under the supervision of a board to ensure that its financial offerings align with Islamic banking principles, including the avoidance of interest (riba) and commitment to ethical and moral standards.

The Shariah Board typically consists of qualified Islamic scholars with expertise in Islamic jurisprudence (fiqh) and finance. Their role involves reviewing, approving, and guiding the bank's operations, including the development of new products, investment decisions, and compliance matters.

Islami Bank Bangladesh PLC, one of Bangladesh's largest and oldest Islamic banks, relies heavily on its Shariah Board. This board is essential in upholding the bank's commitment to Islamic principles while also ensuring its competitiveness and regulatory compliance in the contemporary banking sector.

2.5. Management

The company is run by a group of 20 people called the Board of Directors. They appoint a smaller team led by a Chairman and Vice Chairman to handle day-to-day tasks like managing money and making decisions. The Board itself makes big decisions like setting rules, checking how well the company is doing, and deciding where to invest money. They pick a Managing Director to run everything. They also create a Policy Committee made up of eight directors to make rules about how employees are treated.

2.6. General Banking Division

The general banking sector of Islami Bank Bangladesh PLC plays a crucial part in providing a diverse range of banking facilities, adhering to the principles of Islamic finance, and fostering trust and confidence among its clientele. Some of the key functions of the general banking division of Islami Bank Bangladesh PLC include:

1. Account Services: The general banking division oversees the establishment and upkeep of different account types including savings, current, and fixed deposit

accounts. These accounts adhere to Islamic principles like Mudarabah (profit-sharing) and Wadiah (safekeeping).

2. Deposit Products: It offers various deposit products tailored to meet the needs of different customer segments, including individuals, businesses, and institutions. These products may include Mudaraba Savings Account (MSA), Mudaraba Term Deposit Receipt (MTDR), and Special Savings Scheme.

3. Cash Management: Managing cash transactions, including deposits, withdrawals, and fund transfers, is a fundamental aspect of general banking. The division ensures smooth and efficient cash handling and maintains adequate liquidity to meet customer demands.

4. Cheque Services: Facilitating cheque issuance, collection, and clearing services for customers. Cheque transactions are conducted in accordance with Islamic principles, ensuring compliance with Shariah guidelines.

5. Remittance Services: Providing domestic and international remittance services to customers, enabling them to transfer funds securely and efficiently within Bangladesh and abroad.

6. Customer Service: The general banking division aims to deliver top-notch customer service by providing aid and support to customers with account inquiries, transactions, and other banking-related questions, aiming to boost satisfaction and loyalty.

7. Compliance and Regulatory Requirements: Adhering to regulatory mandates established by the Bangladesh Bank and following Shariah principles in every aspect of banking activities.

8. Technology Integration: Embracing technological advancements to optimize operational effectiveness and enhance customer convenience. This could involve adopting online banking portals, mobile banking apps, and other digital innovations to simplify banking procedures and enhance customer accessibility.

Chapter 3: Framework of Study

3.1. Data Acquisition

To finish this report, I needed necessary information. I have acquired the aforementioned information from Islamic Bank Bangladesh PLC's yearly report, as well as from their Management Information System. Also, I've talked to IBBPLC employees. I've got important data from both the main office and the Gulshan Corporate Branch for analyzing the current situation.

<u>Sources of data:</u>

The sources of data can be divided into two parts which are:

i. Primary Information
ii. Secondary Data

I have gathered primary data through:

- Meeting in person with the branch manager for a private talk.
- Attending meetings.
- Discussion with staff.

<u>Interpretation and use of service tools:</u>

The information gathered has been analyzed, interpreted verified by management staff at the bank. In addition, I have applied service operations tools such Service Mapping and Failure Mode Effect Analysis (FMEA) based on the collected data.

Chapter 4: My Role as Intern

4.1. Assignment

In the course of my two-month internship at Gulshan Corporate Branch of Islami Bank Bangladesh PLC, I worked in the General Banking Department. My main tasks were handling different deposit schemes like DPS and FDR (Fixed Deposit Receipt). I closely worked with Md. Obaied Ullah, who supervised at the front desk. During this time, I focused on learning how to open bank accounts, fill out MSD & FDR forms, and issue cheque books. I also got to know how the Customer Service Department operates, where I learned about the rules & procedures for deposit schemes in the Deposit Section.

4.2 Work Responsibilities

In my role at Islami Bank Bangladesh PLC's Gulshan Corporate branch, I had different duties in the General Banking Division. I usually started work at 10:00 am and finished at 5:00 pm. throughout the day, I did a variety of tasks like opening accounts, filling the KYC form, clearing etc.

4.3. Accounts Opening

Starting a bank account is really important because it's the first time people connect with the bank. Before you start opening an account, it's key to figure out who the bank wants to serve, like regular people, businesses, clubs, or other groups. Understanding why someone wants to open an account at a specific bank is crucial. It can be tricky to figure out, so it takes experienced staff. The staffs at Islami Bank

Bangladesh PLC are good at this. They have different types of accounts to fit the needs of different people they want to help.

The types of accounts are:

- Current Account
- Savings Account
- Fixed Term Deposit (FDR)
- Short Term Deposit (DPS)

The first step towards becoming a client of Islami Bank Bangladesh PLC entails initiating the account opening process, which grants access to the diverse range of services provided by the bank. Whether for individuals or institutions, possessing an account is imperative for executing transactions like withdrawals and deposits at Islami Bank Bangladesh PLC, alongside accessing additional services. My responsibility involved delivering superior services, aimed at fostering long-term customer retention within the established framework of standards.

4.4 Closing Account

Customer accounts are terminated for various reasons. To ensure that customers will prioritize Islami Bank Bangladesh PLC for future banking needs, I closed the accounts with careful consideration for the customer's well-being.

4.5 Accept Cheque Requisition

I gather requests throughout the day from customers who want new cheque books with a specific number of pages. At the end of each day, I compile these requests into a summary and send it to the main office.

4.6 Pay Order Issue

A payment directive has been authorized to support clients who opt for transferring funds via checks instead of cash, aiming to reduce the risks associated with carrying tangible currency. I filled out the payment directive form to aid the clients.

Chapter 5: Understanding General Banking Operations

5.1. Interpretation of Knowledge Acquired During Internship

This chapter explains my understanding of various issues and functions related to General Banking Operations which I have learned as part of internship experience.

Interning in general banking offered me valuable insights and skills that can significantly benefits my career. Here are some key lessons I have learned:

- Understanding Banking Operations: Firsthand experience with the day-to-day functions of a bank, including customer service, transaction processing, and compliance. This foundational knowledge is crucial for any banking career.
- Customer Interaction Skills: Internships provided me opportunities to interact with clients, enhancing communication skills and teaching how to address customer needs effectively. Learning to manage various customer personalities is a vital skill in banking.
- Product Knowledge: Learn about different banking products, such as loans, mortgages, and investment options. This knowledge helped me in understanding how to meet customer needs and cross-sell services.
- Regulatory Awareness: Exposure to compliance and regulatory standards in banking. Understood the importance of adhering to legal requirements, which is essential in maintaining a bank's reputation and integrity.
- Analytical Skills: I was involved in data analysis, helping me develop critical thinking and problem-solving skills. Understood financial metrics and reports is key for roles in banking.

- Teamwork and Collaboration: Working alongside experienced professionals fostered my teamwork skills and I realized the importance of collaboration in achieving organizational goals.
- Professional Networking: Provided me opportunities to build connections within the industry. Networking can lead to future job opportunities and valuable mentorship.
- Workplace Culture Insight: Experienced the corporate culture of the bank, helping me understand workplace dynamics and expectations, which can aid in adapting to future work environments.

Overall, the internship in general equipped me with practical experience, professional skills, and insights that are invaluable for launching a successful career in banking.

5.2. Service Operations in Bank

Service operations in banks are crucial for ensuring efficiency, customer satisfaction, and overall organizational success. These operations encompass a range of activities designed to deliver financial services while maintaining high standards of quality and responsiveness. The core components of service operations include process management, service delivery, and customer relationship management.

Effective process management is essential for streamlining banking operations. Banks employ various technologies, such as automated teller machines (ATMs) and online banking platforms, to enhance efficiency. These systems allow customers to perform transactions quickly and conveniently, reducing wait times and operational bottlenecks. Moreover, the integration of digital solutions enables banks to offer 24/7 access to services, catering to the diverse needs of customers.

Service delivery is another critical aspect of banking operations. This involves not only the transaction processes but also customer interactions at various touchpoints, such as branches, call centers, and online platforms. Staff training plays a vital role in ensuring that employees are equipped to provide excellent service, addressing customer inquiries, and resolving issues effectively. A well-trained workforce contributes to a positive customer experience, fostering loyalty and trust in the institution.

Customer relationship management (CRM) is integral to service operations, as it allows banks to understand and anticipate customer needs. In summary, service operations in banking are foundational to delivering effective financial services. By focusing on process efficiency, quality service delivery, and strong customer relationships, banks can enhance their operational performance and maintain a competitive edge in a rapidly evolving market. The continuous improvement of these operations is essential for meeting customer expectations and driving long-term success.

5.3. General Banking Operations

The heart of banking is the General Banking Department, which is like the main hub of a bank branch. Its super important because it collects money, deals with cash, handles transfers, and keeps track of the entire bank's money stuff. Banks are like middlemen between people who want to save money and those who want to borrow it. The General Banking Department takes in deposits and then lends that money out in different ways. It's where customers go to do their everyday banking tasks like depositing money, cashing checks, opening accounts, transferring money, and getting bank documents.

5.4. Fund Transfer

Telex Transfer

Telegraphic Transfer, also known as TT or Telex Transfer, is a method for digitally sending money internationally.

Demand Draft

A demand draft is a payment method where the seller uses the buyer's bank account info to make a payment, typically without requiring the buyer's physical signature.

- Creation and Signature: Cheque drafting is when the seller makes a proper copy of the buyer's cheque without needing the buyer's signature. Instead, they might use a stamp or a statement in place of the signature.
- Bank Involvement: A demand draft works like a check from the bank. It's like a promise to pay a definite amount to someone named on the draft. The money can only be collected from the bank branch mentioned on the draft. You can't just cash it; you have to deposit it into your bank account.
- Safety and Certainty: Demand drafts are seen as safer than regular checks because they're supported by a bank, while personal checks might not be if there's not enough money in the account.
- Signature on Demand Draft: doesn't need your signature. Instead, it has signatures from bank officials. The name of the bank where you can cash it is at the bottom left, and the bank that issued it is at the top left.

Electronic Fund Transfer

Electronic fund transfer (EFT) means sending money electronically between accounts, either in the same bank or different banks. It's done using computers. EFT covers various situations, like when you use a card to pay, a company pays its employees directly into their bank accounts (sometimes through a payroll service), businesses take money from your bank account for payments, or when you pay bills online using EFT or paper checks.

5.5. Clearing House

The main responsibility of a clearing department is to handle the collection of cheques, pay orders, and demand drafts on behalf of clients from other banks. Clearing involves the process of transferring funds between banks, facilitated by a clearing house, which enables banks to manage customer funds efficiently.

During clearing, representatives from different banks convene at designated clearing houses to exchange checks. In Bangladesh, the task of managing clearing house operations is typically overseen by Bangladesh Bank in major cities such as Dhaka, Bogra, Rajshahi, Chittagong, and Khulna. In areas where Bangladesh Bank lacks a presence, Sonali Bank takes on this responsibility.

Forms of Clearing

Outward Clearing: This passage outlines the process in which a bank's local branches collect cheques from customers, issued by other banks nearby, to be presented at the clearing house.

Inward Clearing: On the contrary, this relates to the approval of checks issued by a particular bank being honored by other banks that are members of the clearing house.

- Normal Clearing House: A cheque amounting to less than 5 lakh is considered 'normal.' Incoming transactions are allowed between 10 am and 3:30 pm, whereas outgoing transactions are handled from 10 am to 12:30 pm.
- Same day Clearing House: Cheques worth five lakh or more qualify for same-day processing. Clearance for these cheques is available from 10 a.m. to 1 p.m. for incoming transactions and from 10 a.m. to 11:30 a.m. for outgoing transactions.

Individuals who have STD, current, savings, or loan accounts can pay cheques using the clearing house. When processing received cheques for clearing, transfer, OBC, or LBC, it's crucial to adhere to specific precautions. These precautions ensures security and consistency.

The Automated Clearing House (ACH) is like a digital hub in the US that helps move money around quickly and in big bunches. It handles things like putting money into people's bank accounts for work, paying bills, and trying out new ways to pay at stores with checks. Both the government and businesses use ACH, and more companies are starting to use it for taking payments from customers online instead of using credit cards.

5.6. Cheque

A cheque is like a special note that helps you pay without using lots of cash. It started from a note promising to pay someone, and now it's a way to move money from one bank account to another. Anyone, from regular people to big companies, can use them. Unlike just giving cash, with a cheque, you write who should get the money. In some places, like the US, the person getting the cheque can sign it over to someone else to get the money.

5.7. Fixed Deposit

Fixed deposits are like savings accounts where you put your money in a bank for a certain period. People like them because they usually give you more interest. There are also other types like recurring deposits and flexi fixed deposits, which let you add money over time or take some out when you need. Fixed deposits usually have higher interest rates than regular savings accounts but you can't take out your money whenever you want. They can last up to 10 years, and the longer you keep your money, the more interest you might get, but sometimes banks might lower the rates for longer times if they think interest rates will drop.

Short Notice Deposit

Large corporations, institutions, and government agencies usually keep their funds in standard accounts (STD), which are designed to discourage frequent withdrawals. These deposits must stay in the account for at least seven days to earn interest, which is lower than that of savings accounts. Interest is calculated on the minimum daily balance and is paid out twice a year.

5.8. Accounts

Account Opening Procedure

Table 2. Opening account

Step 1	The bank's ownership, officials starting from Assistant Officer level, and a respected community member endorsed by the branch Manager or Sub-Manager.
Step 2	Getting a fully filled-out request on the provided bank form, indicating the desired kind of account for opening.
Step 3	○ The claimant must fill out the form on their own. ○ Each person needs to submit two passport-size photos, with an additional one required for the nominee. ○ For businesses, snaps of all partners are compulsory. ○ The submission must contain all the required documents.
Step 4	The smallest sum can be deposited, and only cash payments are allowed.
Step 5	When you open an account, you receive a checkbook and a deposit slip book.

Requirements for Opening a Joint or Individual Account are given below:

- A document outlining the introduction
- Two photos of the account owners, confirmed by the person making the introduction.
- Verification of identity (e.g., a copy of a passport).
- A Combined Assertion Form (if applicable for joint accounts).
- Records of employment history.

Types of Accounts

- Al-Wadeeah current account
- Mudarabah savings account
- Mudarabah term deposit account
- Mudarabah hajj savings account
- Mudarabah Waqf cash deposit account

Al-Wadeeah current account

The present account operates as a demand deposit account, offering unlimited withdrawals, which proves beneficial for scenarios demanding regular fund collection and frequent monetary transactions. Important details include:

- A minimum initial deposit of 1000 tk is mandatory.
- Withdrawals are unrestricted, and no interest is earned on deposited funds.
- Requirements include 02 passport-size photos, National ID, and 01 photo copy of nominees.

Mudarabah savings account:

This deposit is tailored for individuals who practice modest saving habits, enforcing limits on monthly withdrawals and requiring advanced notice for significant withdrawals. Here are the key points:

- To open the account, a lowest deposit of Tk. 500 is necessary.
- A lowest balance of Tk. 500 must always be maintained.
- Withdrawals are restricted:
    - They shouldn't surpass 1/4th (25%) of the total balance.
    - Only two withdrawals per month are allowed.

- If a withdrawal exceeds 1/4th of the total balance, no interest is earned for that month.

Closing of an account

An account closure can occur under various circumstances:

- if a customer expresses a desire to close their account.
- If the account remains inactive for an extended period, as determined by Islami Bank Bangladesh PLC.
- If the court of Islami Bank Bangladesh PLC issues a garnishee order.

Customers can close their accounts at any time by submitting a formal request at the branch. The bank will assist in issuing a final cheque for the remaining balance after deducting closure fees and any other applicable charges. Customers must also return any unused cheque books. Closure fees will be deducted directly from the account, and an authorized bank representative will manage any remaining cheques. For joint accounts, signatures from all account holders are required. A service fee of Tk.100 is charged for account closures.

5.9. Pay order (PO)

Pay orders provide a secure way to conduct transactions, issued directly by banks to reduce the risk of forgery.

Table 3. Pay Order (PO) Charges

Sum of PO	Charge	Value added tax
Taka 01-taka 10000	Taka 15	Taka 3
Taka10001-Taka100000	Taka 25	Taka. 4
Taka100001-Taka 500000	Taka. 50	Taka. 8
Taka500001 and Above	Taka 100	Taka 15

5.10. Demand draft (DD)

A Demand draft is a financial instrument issued by a bank branch to another, directing the latter (known as the drawee branch) to pay a specified amount to the recipient.

5.11. Summary of PO, DD and TT

Table 4. Summary PO,DD and TT

Fact	**po**	**dd**	**Tt**
Clarification	The recipient can request payment from the bank through a pay order.	A demand draft is a directive from a bank instructing one of its branches to pay a designated amount to the specified recipient when requested.	The branch issuing the request contacts another branch, either by phone or telegraph, to transfer a specified volume of cash to a specified recipient.
Disbursement from	Disbursement must be made solely by the issuing branch.	Payment will only be accepted from the branch that placed the order.	Payment is accepted only from specified branch.
Used for	Inside the central office of the issuing branch	A payee may also be the buyer located outside the clearing zone of the issuing branch.	From any where
Charge	Charge only	Commission & Telex charge	Commission & Telephone.

Chapter 6: Applying Service Operations Tools

6.1. Use of Tools

This study attempted to analyze Service Operations at the Bank using tools such as Survey, Service Map/Blueprint and Failure Mode Effect Analysis (FMEA).

6.2. Service Operations

Service operations refer to the systematic management of activities that create and deliver services to customers, emphasizing efficiency and customer satisfaction. Unlike manufacturing operations, which produce tangible goods, service operations focus on intangible offerings, such as hospitality, healthcare, and financial services. This distinction requires a unique approach to managing resources, processes, and customer interactions. The essence of service operations lies in understanding that services are often co-produced, meaning that the customer plays an integral role in the service delivery process. This co-creation of value necessitates a keen focus on customer experience, as it directly impacts perceptions of quality and satisfaction. Service operations management involves a variety of components, including service design, capacity planning, process optimization, and performance measurement. Each of these components must be carefully aligned to ensure that services are delivered efficiently while meeting customer expectations. Service design is particularly critical, as it shapes the overall customer experience. Effective service design considers not only the functional aspects of the service but also the emotional and experiential elements that can significantly influence customer perceptions. For instance, in the hospitality industry, the ambiance, staff interactions, and overall environment are all designed to enhance the guest experience. Similarly, in healthcare, the design of patient care processes must prioritize comfort, accessibility, and emotional support. Capacity planning is another vital aspect of service operations. It involves forecasting demand and ensuring that resources—such as staff, facilities, and technology—are adequately aligned to meet that demand. This is especially challenging in service industries, where demand can be highly variable and influenced by external factors. Effective capacity planning helps organizations avoid issues such as long wait times or understaffed service counters, which can lead to customer dissatisfaction. To address this, service organizations often utilize techniques such as queuing theory and demand forecasting to optimize their operations. Process optimization further enhances the efficiency of service operations by streamlining workflows and eliminating bottlenecks. This can involve the implementation of best practices, the use of technology to automate routine tasks, and continuous improvement initiatives that solicit feedback from both employees and customers. By refining processes, organizations can reduce costs and enhance service delivery, resulting in a more satisfying experience for customers. Moreover, the integration of technology into service operations has transformed how services are delivered. The rise of digital platforms has enabled businesses to offer services more conveniently and efficiently. For example, online booking systems in the travel industry have streamlined the reservation process, allowing customers to book flights and accommodations with just a few clicks. Similarly, in the financial sector, mobile banking applications provide customers with easy access to their accounts and services, reducing the need for in-person visits. However, while technology can enhance service delivery, it is crucial to strike a balance between automation and the personal touch that many customers still value. Performance measurement is an essential element of service operations management. Organizations must establish metrics to evaluate their performance and identify areas for improvement. Common metrics include customer satisfaction scores, service delivery times, and employee engagement levels. By analyzing these metrics, organizations can gain insights into how well they are meeting customer needs and where adjustments are necessary. For instance, a decline in customer satisfaction may prompt a review of service processes or staff training programs. Additionally, employee engagement is crucial, as motivated and satisfied employees are more likely to deliver exceptional service, contributing to a positive customer experience. In a broader context, service operations must also consider the sustainability of their practices. With increasing awareness of environmental and social issues, customers are more inclined to support businesses that demonstrate a commitment to responsible practices. Service operations can contribute to sustainability by adopting eco-friendly processes, minimizing waste, and ensuring ethical labor practices. By doing so, organizations not only enhance their brand reputation but also build customer loyalty among environmentally conscious consumers. Furthermore, the rise of globalization has brought about new challenges and opportunities for service operations. As companies expand into international markets, they must navigate diverse cultural expectations and regulatory environments. This requires a flexible approach to service delivery that respects local customs while maintaining consistent quality standards. For example, a fast-food chain may need to adapt its menu offerings to cater to local tastes and dietary restrictions while ensuring that the overall service experience aligns with its global brand identity. In summary, service operations encompass a complex interplay of processes, resources, and customer interactions that are essential for delivering high-quality services. By focusing on effective service design, capacity planning, process optimization, performance measurement, and sustainability, organizations can enhance their service operations and create exceptional customer experiences. The integration of technology and the ability to adapt to changing customer needs further underline the importance of strategic management in this domain. Ultimately, successful service operations are not just about efficiency; they are about creating meaningful connections with customers that foster loyalty and drive long-term success in an increasingly competitive landscape.

6.3. Customer Perception of Service Operations

Customer surveys are a vital tool for banks to assess client satisfaction and identify areas for improvement. By soliciting feedback directly from customers, banks can gain valuable insights into their service quality, product offerings, and overall client experience. For instance, a survey might explore customers' perceptions of wait times, staff professionalism, and the ease of accessing online banking services. Questions may range from rating the friendliness of staff to assessing the clarity of financial products. By analyzing responses, banks can pinpoint strengths and weaknesses in their operations. For example, if a significant number of customers express dissatisfaction with lengthy transaction processes, the bank can implement changes to streamline these procedures. Furthermore, surveys can uncover customer preferences regarding new services, helping banks tailor their offerings to meet evolving needs. This proactive approach not only enhances customer satisfaction but also fosters loyalty, as clients feel their opinions are valued and considered in decision-making. Additionally, by regularly conducting these surveys, banks can track improvements over time and adapt to changing market conditions. Ultimately, customer surveys serve as a bridge between the bank and its clients, ensuring that financial institutions remain responsive and competitive in a rapidly evolving landscape. By prioritizing customer feedback, banks can cultivate a culture of continuous improvement, leading to enhanced service delivery and a stronger relationship with their clientele. In an industry where trust and satisfaction are paramount, leveraging customer surveys is an effective strategy for fostering engagement and driving growth.

The study conducted a sample survey on a small number of participants who are customers of the bank. It should be noted that sample size is only ten people which is a major limitation of the study.

Q.1: Do you think your bank's services cover everything you need for your money?

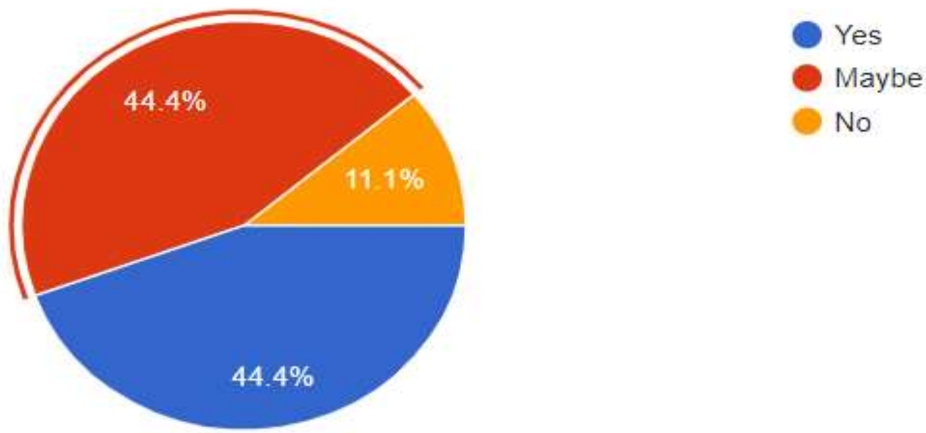

Figure 1. Results of Question 1

Here it can be seen that almost 45% people think that bank’s service cover everything. On the other hand, 44% people don’t think that.

Q.2: Rate the banking service that you are using now?

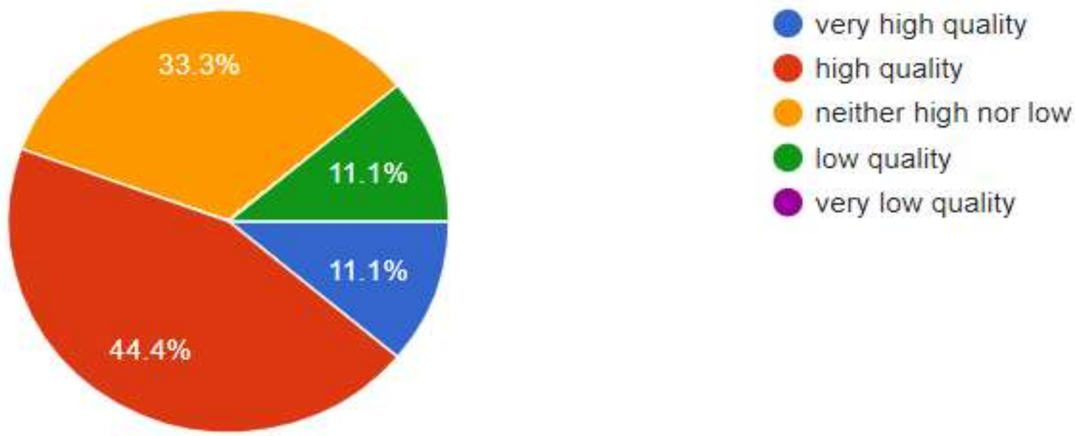

Figure 2. Results of Question 2

Only 12% people think that they are using very high quality services. But almost 50% people think that they are using high services.

Q.3: How frequently you utilize banking services for managing your finances?

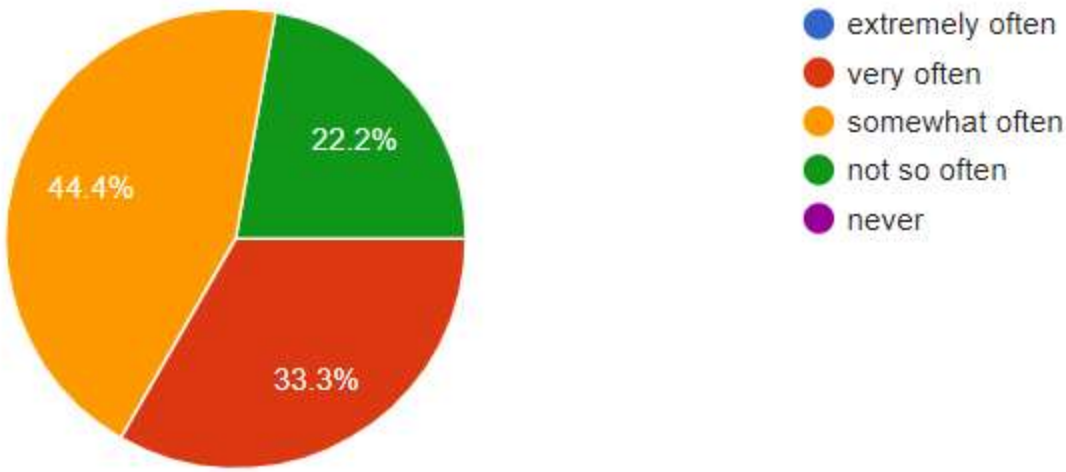

Figure 3. Results of Question 3

From the survey it can be concluded that no one is using banking services extremely often. Almost 45% people using the banking services often, whereas 34% people are using it very often.

Q.4: Do you feel like you have to have banking, or do you think it's not necessary?

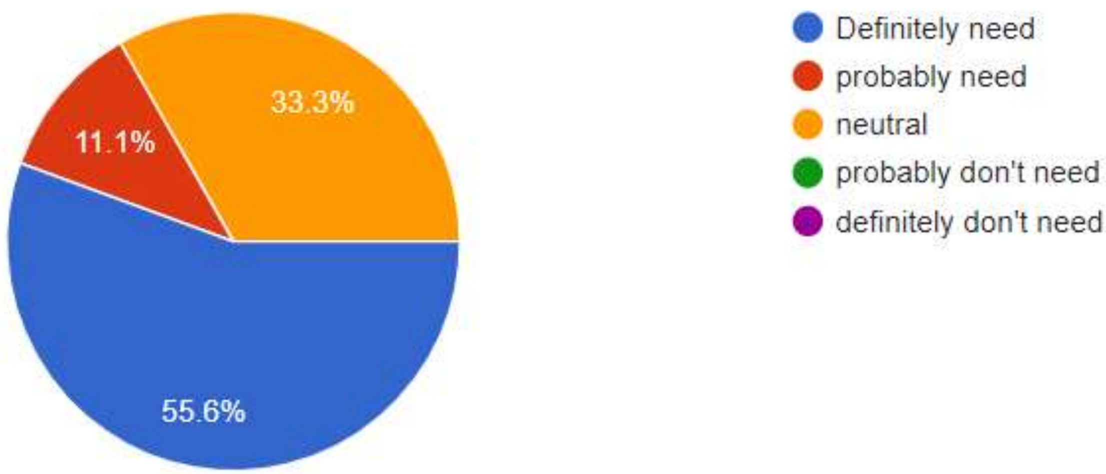

Figure 4. Results of Question 4

Almost 56% people think that banking service is really important. On the contrary, 33% is neutral. In fact, they aren't using the banking service or they don't need to use it.

Q.5: What kind of bank account do you have?

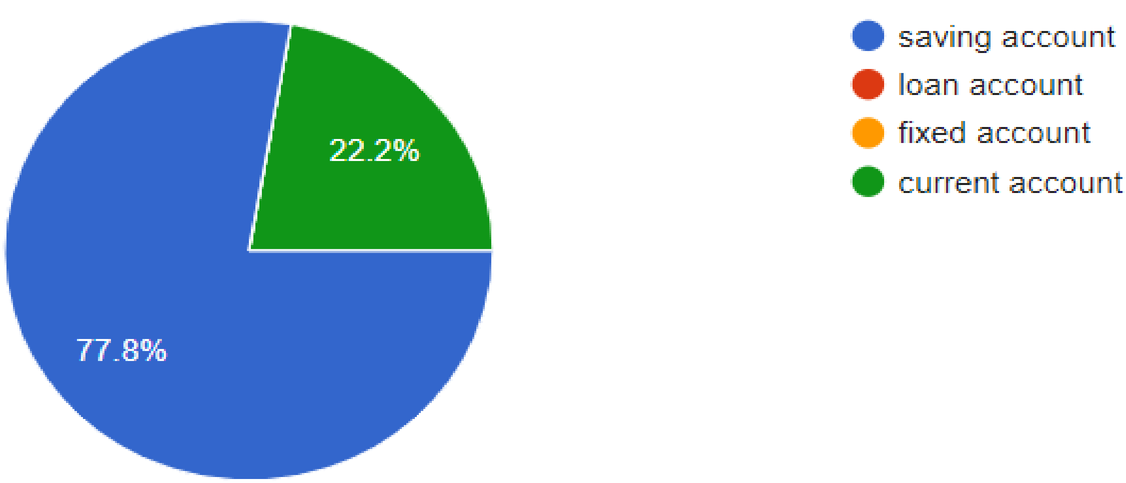

Figure 5. Results of Question 5

As Bangladesh is a developing country & people are future oriented, so they focus on savings account. From our survey we get to know that almost 80% people have savings account.

Analyzing the results of the survey it is evident that a significant percentage (44.4%) of customers feel that the services offered by the bank are adequate (covers everything). However, the majority of the respondents are on the fence, undecided or unhappy. Although, amount of customers who are unhappy only represents approximately 22% but a large percentage 44.4% answered “may be”. This is alarming and the bank should investigate what are the additional services that the customers expects from the bank. Similarly, majority of customers rate the services offered by the bank as “high quality” which can be considered as achievement. However, the other half has not rated the services as below good quality (high and very high). The bank needs to investigate the perception of these customers who have reservation about the service and what additional features they expect. Furthermore, the bank should find out what type of bank products and services these customers are using and re-design those products and services, if possible. It has been found in the survey the majority of the customers are using the product “savings account”. The bank investigate the volume generated from these customers. If the volume is significant than the bank should prioritize these customers and consider offering value adding service and priority features to keep these customers happy and engaged. At the same time the bank should find out the volume of transaction for other bank product and find which are generating less amount of volume. The bank should redesign thoses products and services.

This report would like to warn the readers that the survey conducted has very small sample size due to time and other constraints. Surveys with small sample sizes present several limitations that can affect the reliability and validity of the results. Firstly, a small sample may not adequately represent the larger population, leading to biased outcomes. This lack of diversity can skew findings, making them less generalizable. Additionally, small sample sizes increase the margin of error, which can make it difficult to draw meaningful conclusions. Variability in responses can lead to misleading interpretations, suggesting trends or preferences that do not exist in the broader population. Moreover, smaller samples are more susceptible to outliers, where an unusual response can disproportionately influence results. This can further compromise the data's integrity.

Lastly, statistical analyses are often limited with small samples, reducing the robustness of any conclusions drawn. Overall, while small surveys can provide initial insights, their findings should be interpreted with caution and ideally supplemented with larger studies to ensure accuracy and reliability.

6.4. Customer Complain

As I have already mentioned there are four sections under general banking. When I was in Account opening section, I saw many people came for solving their problems. Most of the problems were about account related like forgetting the signature, missing documents, problems regarding ATM machine, remittance related problem etc. In response, the respective desk official’s tried to solve of the problems of the customer’s.

If anyone has an issue regarding their accounts, then they have to talk with account opening section. Then the respective officer will look upon this matter & he/she will tell the client the solution.

If anyone wants to change their nominee or signature or phone number, he/she needs to inform the account opening section. Then the respective officer will send him/her to GB manager. If the manager thinks it's a valid reason, he'll sign a paper & send him/her to the account opening section again. Then the officer will work on the problem.

If anyone has a problem regarding mobile banking service, then the client needs to go to ADC section. The respective officer will hear the problem & solve it. If anyone faces any issue while withdrawing money from ATM machine, then the officer will note down his/her card number & solve the problem within 14 days.

To understand this more easily, I have developed Service Map or Service Blueprint on selected customer complain related process. On the basis of the service map I have undertaken Failure Mode Effect Analysis (FMEA) analysis. In order to conduct the analysis we need to find out potential failure that occurs in a bank.

6.5. Application of Service Map/Blueprint

In today's rapidly evolving financial landscape, banks are faced with heightened customer expectations, regulatory pressures, and increasing competition from fintech firms. As a result, understanding and optimizing service delivery is more crucial than ever. Service mapping emerges as a vital tool in this context, enabling banks to visualize and improve their service processes. This essay explores the importance of service mapping in banking, highlighting its benefits, applications, and impact on customer satisfaction and operational efficiency.

Service mapping is a strategic technique that involves creating a visual representation of the various services a bank offers, detailing the processes, interactions, and touchpoints involved in delivering these services. It allows organizations to gain a comprehensive overview of their service ecosystem, mapping out customer journeys from initial contact through service completion. This holistic view is essential for identifying inefficiencies, gaps, and areas for improvement.

One of the primary benefits of service mapping is its potential to enhance the customer experience. By visually mapping out the customer journey, banks can identify critical touchpoints where interactions occur, such as account opening, loan applications, or customer service inquiries. Understanding these interactions enables banks to pinpoint pain points, such as long wait times or complex processes, that can frustrate customers.

For example, if a bank discovers that customers frequently experience delays during the loan approval process, it can analyze the steps involved, identify bottlenecks, and streamline the process. By addressing these issues, banks can significantly improve customer satisfaction and loyalty. Additionally, service mapping allows for the identification of opportunities to personalize services, tailoring offerings to meet the specific needs and preferences of different customer segments.

Service mapping also plays a crucial role in enhancing operational efficiency within banks. By visualizing processes, banks can identify redundancies and inefficiencies that may be hindering performance. For instance, if a service map reveals that multiple departments are involved in a single customer service request, this may indicate a need for better coordination or even the implementation of a centralized service hub.

Moreover, service mapping facilitates process standardization. When banks have a clear understanding of their service delivery processes, they can develop standard operating procedures (SOPs) that ensure consistency and reliability across all branches and channels. This standardization not only improves efficiency but also helps in training new employees, ensuring that they understand the processes involved in delivering services effectively.

In the banking sector, compliance with regulatory requirements is paramount. Service mapping assists banks in identifying areas of risk and ensuring that all processes adhere to relevant regulations. By mapping out services, banks can conduct thorough audits of each step, ensuring that they comply with legal requirements such as anti-money laundering (AML) and know your customer (KYC) regulations.

Additionally, service maps can help banks anticipate and mitigate risks associated with service delivery. For example, if a particular service is identified as having a high incidence of errors, banks can take proactive measures to address these risks, thereby reducing the likelihood of financial loss or reputational damage.

In an era of constant change, banks must be agile in responding to market demands and technological advancements. Service mapping serves as a foundational tool for change management, providing a clear framework for understanding existing processes and identifying areas that require transformation. When banks seek to implement new technologies or service models, service mapping can help visualize the impact of these changes, facilitating smoother transitions and minimizing disruption.

Furthermore, involving employees in the service mapping process fosters a culture of collaboration and innovation. By engaging staff at all levels in discussions about service delivery, banks can gather valuable insights and encourage buy-in for upcoming changes.

In summary, service mapping is an essential practice for banks striving to enhance customer experience, improve operational efficiency, ensure compliance, and facilitate change management. By providing a clear visual representation of service delivery processes, banks can identify pain points, streamline operations, and better align their offerings with customer needs. As the banking industry continues to evolve, leveraging service mapping will be crucial for institutions looking to remain competitive and responsive in a dynamic environment. Embracing this tool not only leads to improved service delivery but also fosters a culture of continuous improvement that is vital for long-term success. The service map/blueprint of account opening process at Islami Bank is provided below. The map has been developed based on my working experience, documents and information from employees and management.

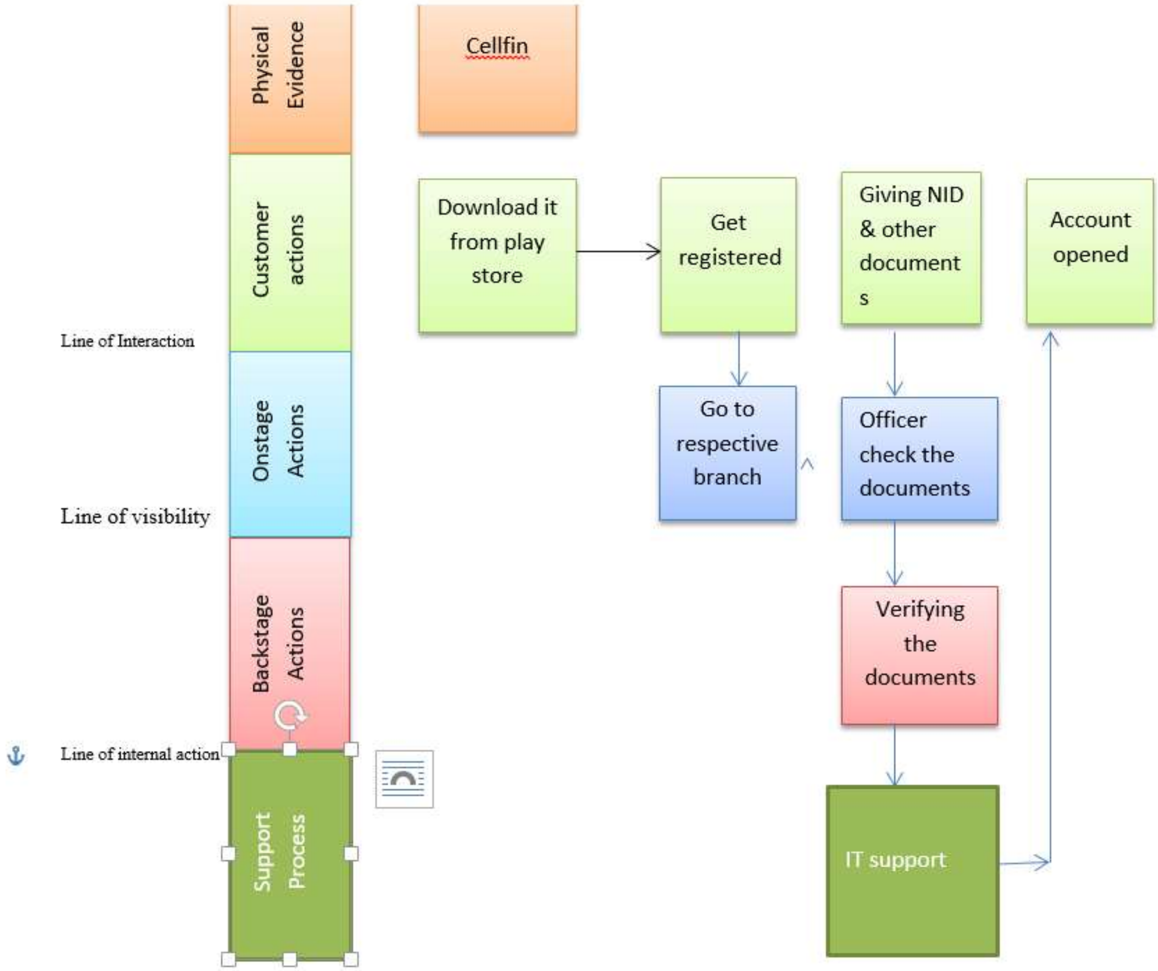

Figure 6. Service Map of Account Opening Process

Figure 6 illustrates the service map or service blueprint of one of the service process (customer account opening). The service map has 5 segments. At the top customer evidence is where you document everything that the customer witnesses regarding the service. Customer action is part of the process where the customer takes action/participates. In this process, customer action includes: downloading the app, registering, going to the bank to submit documents etc. In the onstage part, the customer interacts with the bank staff in person. This interaction is also called "Line of interaction". In the backstage, bank employees are working but the customer do not see them. The customer can see activities of the bank till the line of visibility. In the back ground, there are other support activities such as IT that are working to execute the process.

6.6. Application of FMEA Analysis

In today's complex financial landscape, banks face a multitude of risks, ranging from operational failures to regulatory compliance issues and cybersecurity threats. To navigate these challenges effectively, many institutions are turning to Failure Mode and Effects Analysis (FMEA) as a vital tool in their risk management arsenal. FMEA is a systematic methodology that helps organizations identify potential failure modes in processes and assess their impact, enabling proactive measures to mitigate risks. Application of FMEA in banking, highlighting its benefits, challenges, and overall significance in enhancing operational resilience.

FMEA is a structured approach that originated in the manufacturing sector, aimed at identifying and addressing potential failures before they occur. The process involves several key steps: identifying potential failure modes, determining their causes, assessing the effects of these failures, and prioritizing risks based on their severity, occurrence, and detectability. By assigning a Risk Priority Number (RPN) to each identified failure, organizations can focus their resources on the most critical issues. In the banking sector, FMEA can be applied to a variety of processes, including loan approval, transaction processing, compliance checks, and IT systems.

Some of the key areas in banking where FMEA is utilized are as follows:

- Operational Risk Management: Banks operate with numerous interdependent processes, each susceptible to failure. By employing FMEA, banks can analyze processes such as account management, transaction handling, and customer service. For instance, if a bank identifies that delays in transaction processing could lead to customer dissatisfaction or financial loss, it can implement measures like additional training for staff or enhanced IT systems to minimize these risks.

- Regulatory Compliance: The banking sector is heavily regulated, with institutions required to adhere to a myriad of laws and guidelines. FMEA can help banks assess compliance-related processes, identifying potential failure modes that could result in regulatory breaches. By proactively addressing these risks, banks can reduce the likelihood of penalties and maintain their reputations.
- Cybersecurity: With the increasing prevalence of cyber threats, banks must remain vigilant against potential breaches. FMEA allows banks to evaluate their IT systems, identifying vulnerabilities that could be exploited by malicious actors. By understanding the potential impact of these threats and prioritizing defenses accordingly, banks can enhance their cybersecurity posture and protect sensitive customer data.
- Customer Experience: In a competitive banking environment, customer satisfaction is paramount. FMEA can be employed to analyze customer interaction processes, such as onboarding and complaint resolution. By identifying points where failures could lead to negative customer experiences, banks can implement improvements that enhance service delivery and foster customer loyalty.

The implementation of FMEA in banking offers several significant advantages:

- Proactive Risk Management: FMEA encourages banks to identify potential issues before they escalate, allowing for timely interventions that can prevent costly failures.
- Resource Optimization: By prioritizing risks based on their RPN, banks can allocate resources more effectively, focusing efforts on the most critical areas.
- Enhanced Collaboration: FMEA requires input from various departments, fostering a culture of collaboration and communication that can lead to better overall risk management.
- Continuous Improvement: The iterative nature of FMEA promotes ongoing evaluation and refinement of processes, contributing to a culture of continuous improvement.

Despite its benefits, implementing FMEA in banking is not without challenges. The complexity of banking operations means that analyzing every potential failure mode can be resource-intensive. Additionally, there may be resistance to change among staff, particularly if they perceive FMEA as an added burden rather than a valuable tool. To overcome these challenges, banks must invest in training and awareness programs to ensure that employees understand the value of FMEA and how to apply it effectively.

In summary, Failure Mode and Effects Analysis is an invaluable tool for banks seeking to enhance their risk management practices and operational resilience. By systematically identifying and addressing potential failure modes, banks can improve their processes, comply with regulations, bolster cybersecurity, and ultimately enhance customer satisfaction. While challenges exist in implementing FMEA, the long-term benefits—ranging from reduced operational risks to improved resource allocation—make it a worthy investment for any banking institution committed to navigating the complexities of the modern financial landscape.

Embracing FMEA not only strengthens risk management but also fosters a culture of continuous improvement that is essential for success in the competitive banking industry.

As part of my internship work, I have attempted apply FMEA analysis to some of the processes I was exposed to. As part of the FMEA analysis, I have identified several Fail Points, i.e., activities or tasks where the process is likely to fail or malfunction. In this regard, I have identified 5 potential fail points as below:

Fail Point 1: Online & Mobile Banking: People nowadays rely on mobile banking heavily. They don’t want to visit a branch as it’s a time consuming matter. So, they like to use mobile banking service. But, they face various technical problems while using these apps.

Fail Point 2: ATM Machine: People nowadays carry less money as it is dangerous. Sometimes, the thieves stole their money. So people are using debit or credit card to minimize this problem. By using a debit or credit card, one can withdraw money from any ATM booth of the world. While using this, sometimes they face problems like the money is cut from the account but the client didn’t get it from the booth. Sometimes, card got stuck in the ATM machine.

Fail Point 3: Customer Data: Many people open their account without proper guidelines. Suppose, one client opens an account by giving 1 copy of nominee’s photo but doesn’t provide the signature of the nominee. Again, sometimes the signature of the account owner doesn’t match with the one that he had on his account opening form.

Fail Point 4: Remittance: People who’re working abroad, they send their incomes to their families who are residing over Bangladesh. When they send remittance, they use various house to send their money. Most of the time, the relatives who are acquiring money can’t tell the name of the house. Sometimes for various reasons, the bank can’t pay the money.

Fail Point 5: Clearing Related problems: All clearing activities are done under the supervision of Bangladesh Bank. The other banks can collect the clearing form in a given time provided by Bangladesh Bank. They need to check the document & other necessary things & then scan the copy and submit it to Bangladesh bank. Sometimes many clients face various issues.

I have adopted a typically used FMEA tool/form focusing on identifying the possible failures of Islami Bank Bangladesh PLC. By doing this, this report suggests on which problem the Bank should work first.

Not only this, but also the report recommends some actions. By following these, the Bank can eventually minimize the failures & maximize the service levels.

FMEA also involves rating the fail points. It'll help to understand the severity of the problem. Banking is a service. There are many connecting dots while giving the service. Sometimes there can appear an error which will affect the reputation of the organization.

So, the report tries to identify some of the major failure in their banking processes and assess them on a scale of 1-5. The scoring used is based on subjective and objective opinion and judgment of management and other roles working in the bank.

Table 5. FMEA Analysis

Sl.	Potential Failure Mode	Potential Failure Effects	SEVERITY	Potential Causes	OCCURANCE	Current Controls	DETECTION	RPN	Recommended Actions
1	Mobile banking app's error	Clients can't use cellfin, IBBPLC iSmart Clients dissatisfaction	4	Maintenance related issues Network issues Server overload	3	Update in the apps Compatibility check	3	36	Improvement in software Hiring IT specialist Increase server capacity
2	ATM machines error	Clients can't withdraw or deposit money Very bad clients experience	5	Network errors Internal problems in ATM machine	4	Regularly maintain ATM machines	4	80	Regularly checking the machines
3	Missing data in account opening form	Can't withdraw or use bank account if related data mismatch	4	Signature or Picture Don't match with the document	2	Re check all data before opening an account Keeping data safe	2	16	Cross checking by the senior officer Training programs
4	Remittance related issues	Sometimes, it takes longer than expected to get the money Poor clients experience	3	House related issues	3	Setting up house in different countries Training program	2	18	Setting more house's in abroad Making the process more short
5	Documents related error's in clearing section	Sometimes the scan machine can't justify the document's validity Client's dissatisfaction	2	QR code or other information don't comply	2	Trained officer handle effectively New advance machines are purchased	3	12	Purchasing advanced technology Regular training programs

Table 6. Ranking Failure Points

Rank	**Failure**	**Score**
1	ATM machines error	80
2	Mobile banking app's error	36
3	Remittance related issues	18
4	Remittance related issues	16
5	Sometimes the scan machine can't justify the document's validity Client's dissatisfaction	12

Risk Priority Number (RPN) is calculated using the equation:

RPN= Occurrence x Severity x Impact……………eq (1)

The analysis shows that ATM related error (RPN 80) is the most significant failure followed by Mobile app functionality error (RPN 36) that the bank needs to pay attention.

The main fail point identified "ATM machines error" is due to maintenance/machine and network related issues. With RPN score of 80 this is the high risk failure as per this study. This failure actually occurs frequently. The result of these failure is significant to customers. The result is that the clients can't withdraw or deposit money. This results into very bad client's experience. Unfortunately, the failure also occurs very frequently. Hence, this failure is ranked the highest and the most significant which the bank needs to solve. This study could not authentically find out what can be done to solve problem. But, one generic solution identified is to maintain ATM machines regularly.

Failure point “Mobile banking app’s error” with RPN 60 can be considered medium risk. The results of this failure is that clients can’t use cellfin, IBBPLC iSmart resulting into clients dissatisfaction. The root causes of this failure is maintenance related issues, network issues and overloading of server. In order to solve the problem the bank should undertake regular improvement in software. In addition, the bank should have sufficient IT professional and experts. But, more importantly should increase server capacity to handle maximum load time efficiently.

The other failures can be considered low risk and hence further discussion is avoided. This study recommends the use of FMEA in all other processes of the bank. Such, initiative shall identify the major failures, causes, effects and potential actions. This scientific method of inquiry has been successfully utilizes in service operation worldwide. If adopted, such method can improve customer service, reduce inefficiency and increase productivity and overall performance of the bank. This will also highlight that the bank cares about it’s customers. Such positive brand image combined with better services due to less number of failures will lure more customers and increase transaction volume. In summary, such effort can increase the profitability of the bank.

Chapter 7: Conclusion

7.1. Summary

Even though Islamic Banking has been established worldwide, with more than 300 institutions spanning nearly 50 nations, the performance of these banks stands out. In our country, we boast ten Islamic Banks, each playing a pivotal role. Nevertheless, it's crucial to recognize that Islamic Banks encounter inherent limitations. Thus, there exists an opening to propose solutions to tackle these constraints and bolster their efficiency.

7.2. Overall Recommendations

- The absence of an appropriate legal structure to oversee Islami Bank Bangladesh in line with Islamic principles poses a significant challenge. Conventional regulatory frameworks fall short in fostering the advancement and success of these banks, underscoring the urgent need for modern Islamic banking laws.
- Introducing financial tools that adhere to Islamic Shariah principles is essential to offer investors alternative options to traditional interest-based bonds. This initiative seeks to foster a conducive environment for investors to invest in Shariah-compliant financial products with confidence.
- The widespread establishment of Islamic financial institutions throughout Bangladesh has the potential to significantly boost the growth of Islamic banking within the nation. This growth would foster collaboration and mutual partnership, leading to mutual benefits for these organizations.
- Emphasizing the significance of maintaining professional standards within the Shariah framework is vital for Islamic banks. This strategy enables them to

yield lawful and substantial profits, thereby ensuring they deliver improved returns to both depositors and shareholders. Fostering trust in Islamic banking stands as a fundamental element for the success of these institutions, aligning with the overarching objective of instituting an Islamic economic system.

- In order ensure operational efficiency and productivity emphasis should be given to use tools such as service map. Use of such tools shall increase service quality and improve performance of the bank.
- This study recommends the use of FMEA in all other processes of the bank. Such, initiative shall identify the major failures, causes, effects and potential actions. This scientific method of inquiry has been successfully utilizes in service operation worldwide. If adopted, such method can improve customer service, reduce inefficiency and increase productivity and overall performance of the bank. This will also highlight that the bank cares about it's customers. Such positive brand image combined with better services due to less number of failures will lure more customers and increase transaction volume. In summary, such effort can increase the profitability of the bank.
- An evident rise in customer engagement is prompting employees to take on a wider array of responsibilities. Yet, this increased multitasking presents a hurdle, possibly resulting in notable mistakes and delays in service, which in turn can lead to discontent among customers and decreased morale among staff.
- Increasing the reach of branches, especially in Dhaka and other urban centers is crucial to staying competitive in today's rapidly evolving global business landscape.

- As the world progresses swiftly, the prevalence of online banking systems is increasing, prompting IBBPLC to embrace this technology in order to maintain competitiveness in the global market.
- It is essential for IBBPLC to update its banking procedures and integrate automated systems into its general banking operations in order to replace outdated methods.
- Incorporating database interacting technology within the Information Technology department is vital to guaranteeing seamless and efficient data transfer across various branches.

7.3. Branch Specific Recommendations

- Bank officers typically have strong operational knowledge but often lack a profound comprehension of the underlying philosophies guiding their tasks. It's crucial to connect the domains of marketing and banking, yet there's a noticeable shortage of individuals in the banking sector who possess expertise in both areas.
- IBBPLC, like numerous private banks, implements a goal-oriented approach called "development purpose" to encourage its employees to gather deposits. While this tactic often yields positive results for banks nationwide, it can sometimes result in negative outcomes and dissatisfaction among staff. Employees assigned to demanding roles struggle to engage in deposit

collection efforts, feeling undervalued unless they achieve significant deposit targets to showcase their contributions to the organization.

- IBBPLC offers training opportunities, yet there are deficiencies in the facilities, particularly for junior officers.
- The crowded cash desks at IBBPLC hinder the daily tasks of tellers, resulting in delays in their operations.

7.4. Limitation of the Study

Following are some the limitations of the study:

Small sample size for the survey

Surveys with small sample sizes present several limitations that can affect the reliability and validity of the results. Firstly, a small sample may not adequately represent the larger population, leading to biased outcomes. This lack of diversity can skew findings, making them less generalizable.

Additionally, small sample sizes increase the margin of error, which can make it difficult to draw meaningful conclusions. Variability in responses can lead to misleading interpretations, suggesting trends or preferences that do not exist in the broader population.

Moreover, smaller samples are more susceptible to outliers, where an unusual response can disproportionately influence results. This can further compromise the data's integrity.

Lastly, statistical analyses are often limited with small samples, reducing the robustness of any conclusions drawn. Overall, while small surveys can provide initial insights, their findings should be interpreted with caution and ideally supplemented with larger studies to ensure accuracy and reliability.

Relatively limited time of internship

I have spent relatively amount in the bank as intern. Limited time spent in an internship can present several significant limitations:

Short internships may not provide enough time to acquire or hone essential skills. Interns may miss out on deeper training opportunities that come with longer exposure.

Furthermore, interns may only participate in smaller tasks rather than significant projects, reducing their ability to contribute meaningfully and learn from more complex responsibilities. With less time to build relationships, it is difficult to form meaningful connections with colleagues and supervisors, limiting future networking potential. A brief internship prevents interns from fully grasping the organizational culture and dynamics. This results in less comprehensive feedback from supervisors, which is crucial for personal and professional growth.

Overall, limited duration restrict learning and growth opportunities, making it challenging to derive maximum value from the internship experience.

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