A Case on

Dutch Bangla Bank (PLC) Conflict of cash Recycling Machine (CRM).

Submitted To

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UTTARA UNIVERSITY

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Case

On

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Letter of Transmittal

JULY 12,2024

Md. Shoayeb Noman, PhD

Assistant Professor

School of Business

Uttara University

Subject: Submission of the Internship case Report.

Dear sir,

I would like to thank you for approving this invaluable case. The study has given me the opportunity to get a deeper insight and use my theoretical knowledge in practical knowledge. This is to inform you that I have successfully completed my Spring-2024 internship at Dutch Bangla Bank PLC.

It has been a great pleasure to work under such a friendly and helpful supervisor who is the principal of this institute in a smooth, cordial environment. The study focuses on Dutch Bangla Bank (PLC) Conflict of cash Recycling Machine (CRM). I have provided some key findings and analysis and suggested some implementable recommendations.
I would try my best and shall be obliged to provide you with any clarification regarding the case report.

Sincerely Yours,

Shimu Akter

ID: 2233061004

Batch: 61th (A)

Program: MBA for BBA

Department of Business Administration

Uttara University

Letter of Authorization

It gives me immense pleasure to certify that the case report on “Dutch Bangla Bank (PLC) Conflict of cash Recycling Machine (CRM).” has been completed by Shimu Akter bearing ID No. 2233061004 from 61th Batch of MBA FOR BBA program of Uttara University under my supervision and guidance. As far as I know, this is a case report paper made as part of MBA FOR BBA program which has not been published in any journal or submitted to any institution or department for any degree of diploma.

I do hereby accept it and fully recommend the case report for evaluation.

………………………..

Md. Shoayeb Noman, PhD

Assistant Professor

Department of Business Administration

Uttara University

Acknowledgement

In the beginning I would like to convey my sincere appreciation to the Almighty Allah for given me the strength and ability to finish the task. This case report, based on three months' study, is the part of MBA for BBA program, which helps me to gather practical information, which is necessary for my future life. I would like to express my deep respect to my honorable academic supervisor Md. Shoayeb Noman, PhD, Assistant Professor, School of Business, Uttara University for giving me his valuable time and all the necessary guidance, which inspired me to prepare this case report.

The job opportunity I had with "Cash Department, Dutch Bangla Bank PLC" was a great chance for learning and professional development. I consider myself as a very lucky individual as I was provided with an opportunity to be a part of it. I am also grateful for having a chance to work so many wonderful people and professionals who led me through this work period. I would like to thank Mr. Dipongkar Shaha, Deputy manager, Dutch Bangla Bank PLC, Board Bazar Branch. I would like to express my deep sense of thankfulness to Deloar Zahan, Cash-in-charge, Dutch Bangla Bank PLC, Board Bazar Branch.

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1 Organizational Context

1.1 Brief Description of the Industry

Banking sector of Bangladesh is one of the major sectors, which contributes significantly to the national economy. The sector comprises several banks in various categories. Considering ownership, the sector can be classified into four major categories - such as Nationalized Commercial Banks (NCBs), Specialized Banks (SPBs), Private Commercial Banks (PCBs), and Trans-National Banks (TNBs) (Islam, 2001). The commercial banking system plays on vital role in Bangladesh's financial sector. Bangladesh Bank is the Central Bank of Bangladesh and the principal regulator of the sector. Bangladesh have total of 55 states owned, private, foreign and specialize Banks. The banking system consists of four state-owned commercial banks, 31 private commercial banks, 10 specialized development banks, and 10 foreign commercial banks. The Nobel Prize for Grameen Bank is a specialized micro-finance institution, the concept of microcredit revolution and a major contribution to poverty alleviation and empowerment of women in Bangladesh.

1.2 Brief description of the company

Dutch-Bangla Bank Plc engages in the provision of commercial banking products and services. It operates through the following segments: Corporate Banking, Retail Banking, Financial Inclusion, Small and Medium Enterprises (SME) Banking, Treasury, and Off-Shore Banking Unit. The Corporate Banking segment offers working capital, trade equity, syndications and structures, and social and environmental infrastructure finances. The Retail Banking segment includes personal loan, auto loan, home loan, credit card, point of sales (POS) and e-Payment solutions. The Financial Inclusion segment consists of financial products and services relating to transactions, payments, savings, credit, and insurance. The SME Banking segment comprises of interest and non-interest income related to SME loans and allied business and related amounts for specific and general provisions for loan losses. The Treasury segment covers both local and foreign currency operations. The Off-Shore Banking Unit segment provides commercial banking services through units within the rules and regulations and guidelines of Bangladesh bank applicable for the off-shore banking units. The company was founded by Mohammed Sahabuddin Ahmed on July 4, 1995 and is headquartered in Dhaka, Bangladesh.

1.3 Description of Work-Related Section / Department / Division:

In the office, I held a position as a cash officer at Dutch-Bangla Bank Limited. The main task was in that bank as a Cash officer in the Cash Section, Cash Receipt, and Cash Payment. In my branch, Dipongkar Shaha is a deputy manager and Deloar Zahan is a cash-in-charge. As a Cash

Officer, my responsibilities included managing daily cash transactions, ensuring accuracy in cash handling, and providing customer service at the cash counter. This role required meticulous attention to detail and a thorough understanding of the bank's cash management policies and procedures.

2. Case Specific Theoretical Concept

The primary purpose of this research is to explore cash recycling machine (CRM) system and determine customer satisfaction after using CRM service. Customer satisfaction is reckoned to be the most crucial variable that urges profitability to the banking sector (Ennew, Binks & Chiplin, 2015). Customer satisfaction is the feeling which the customer gets when he/she believes that service has met or exceeded their expectations (Chiguvi, 2016). In addition to that, consumer satisfaction is believed to be the core purpose of all the organization. The capacity to satisfy the customers is constitutive for so many reasons like, it has been appeared that, the disappointed or dissatisfied customers will in general complain to the establishment or look for review from others to relieve their psychological conflict. In the event, if that specialist organization does not address such problem immediately, it can have genuine implications. For instance, customers may depend on negative verbal exchange. A displeased client can, in can deter other customers who are loyal to the organization. A business's profitability is directly affected by customer satisfaction (Houmbarg, 2007). He also explained that, if the customers are satisfied then they will become the loyal customers and will do positive word of mouth.

3. The situation of the core problem

Ever since the coming of CRM Machine customers have been facing various problems. This kind of problem is not faced by the customer's while making deposit's before the coming of

CRM Machine. customer's can't deposit money in CRM Machines except for Damp money, taped and sealed money, which the customer has to suffer. In such cases, customer's stopping from transactions' which reduces the bank's deposit' or profit's. To solve this problem, bank manager's and senior manager's are analyzing the problem and trying to solve them so that the deposit's and profit's of the bank increase.

4. Background of the core problem

Ever since the CRM machine was launched, customer's have faced various problem's and the CRM is showing the reluctance to deposit money into the machine. Customer's are coming in various time's complaining that they will close the account. The number of account's closed in the bank every month is counted at the end of the month and it has been calculated that most of the account's are closed due to CRM issues, moreover the complaint box is Opened every week in the bank and the complaint box is opened and it is seen that the customer's have complained about the CRM Machine. Bank manager's and officer's through interaction with customer's come to know that customers are showing distaste for the CRM machine due to which they decide to close the account. In this situation, bank account's are decreasing day by day and bank deposit's are facing crisis. Since the launch of the CRM machines, customers have faced a variety of problems, leading to a reluctance to use these machines for deposits. Customers frequently complain about the CRM machines and some even threaten to close their accounts. The bank has observed an increase in account closures, and monthly reviews have revealed that many of these closures are due to issues with the CRM machines. Customer complaints are also regularly collected from the complaint box, with a significant number highlighting dissatisfaction with the CRM machines. Through interactions with customers, bank managers and officers have learned that the dissatisfaction with the CRM machines is a primary reason for account closures. Consequently, the number of active accounts is declining, and the bank is facing a deposit crisis.

The Branch CRM Deposit Dispute Settlement Process Flow in Figure1 begins when a customer submits a formal dispute form, followed by the bank collecting the transaction receipt and making a copy. If the account is credited, no settlement is required. If not, further action is needed, involving checking the CRM statement. If the transaction is found, the response code is checked to determine the appropriate settlement process. If the transaction is not found, additional verification steps are taken, including offloading the CRM, checking the CRM print, counting cash, and completing reconciliation. The offloaded physical cash is credited to the Cash-in-ATM General Ledger (GL). Notes are verified for any left behind or void notes, as well as torn/fake notes. Excess cash is checked and matched with the claim amount. If excess cash is found, the settlement amount is updated; if not, no settlement is required. The settlement amount is calculated based on the claim amount and any identified torn/fake notes. Finally, the settlement is validated by checking the Electronic Journal (EJ) from the CRM. If valid, the process follows "Settlement Process A"; if not, no settlement is required. This ensures systematic verification and resolution of customer disputes.

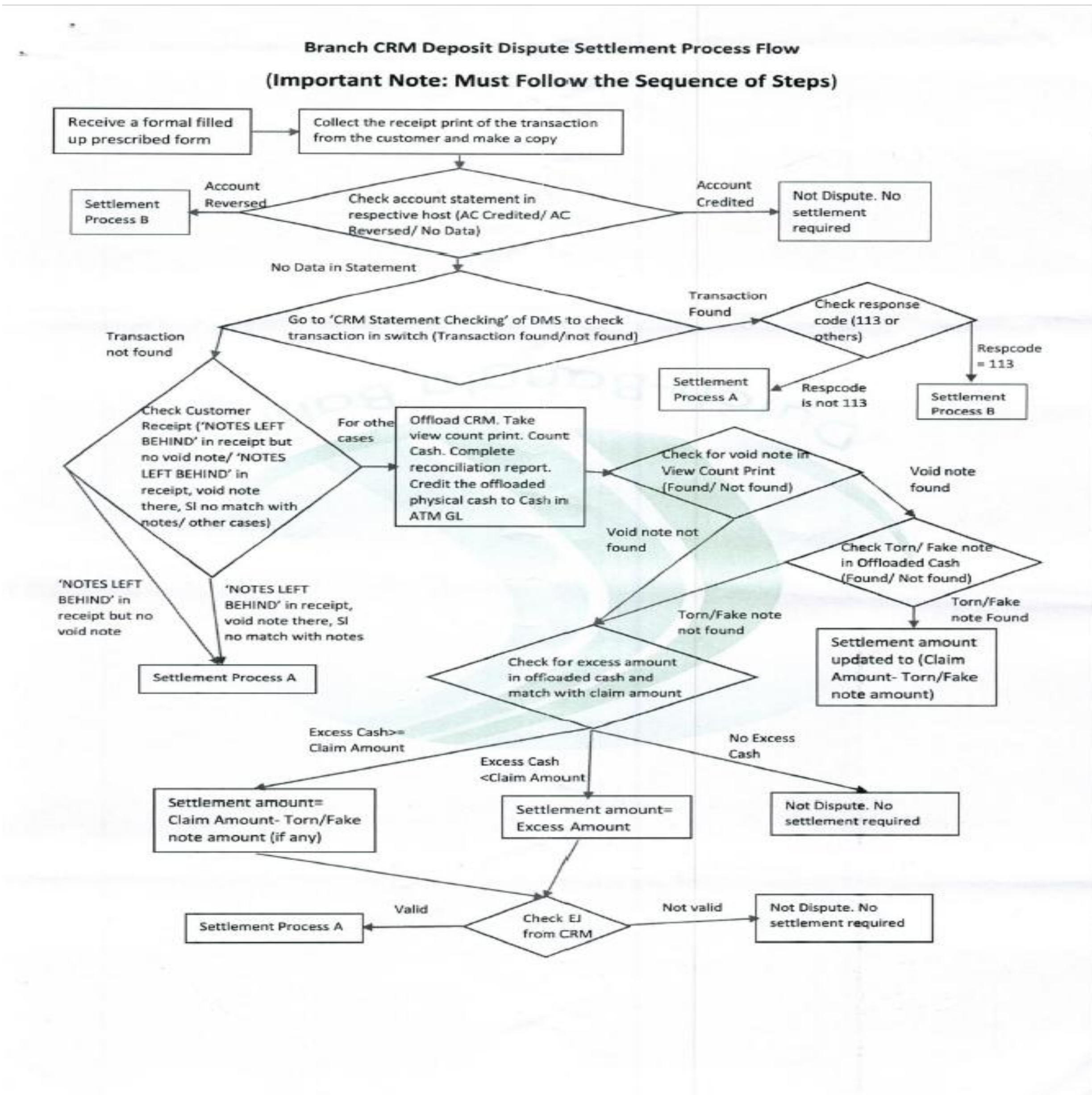

Figure 1: The Branch CRM Deposit Dispute Settlement Process Flow

Customer Dissatisfaction with CRM Machines: The introduction of CRM machines has led to significant customer dissatisfaction due to various issues such as the inability to deposit certain types of money (damp, taped, and sealed), the requirement to provide national identity card numbers, and general unfamiliarity with the new technology.

Decrease in Bank Accounts and Deposits: The dissatisfaction with the CRM machines has resulted in a notable decrease in the number of accounts, as customers are closing their accounts and moving to other banks with less restrictive and more user-friendly deposit systems.

Customer Dissatisfaction: A detailed analysis of customer feedback, highlighting specific grievances and their frequency.

Impact on Accounts and Deposits: Data showing the correlation between CRM-related complaints and the reduction in new accounts and deposits.

6. The solution

When the bank managers and officers identified the problem, they found various ways to solve it. Firstly, they decided that a cash teller would be constantly on the CRM machine and tell customers to deposit money. Secondly, the cash teller will enter the CRM machine with new money, and the cash teller will Change the money and deposit the customer's money so that the customers do not suffer, by taking these steps some of the complaints have been removed and the customers have benefited.

7. Conclusions

The introduction of CRM machines at Dutch-Bangla Bank PLC has highlighted several operational and customer service challenges. While temporary solutions such as manual assistance by cash tellers have provided some relief, these are not sustainable long-term strategies. By investing in technological upgrades, simplifying processes, and focusing on customer education and feedback, the bank can significantly improve customer satisfaction and operational efficiency. Continuous monitoring and adaptation to customer needs will be crucial in ensuring that the CRM machines fulfill their intended purpose of streamlining banking operations and enhancing customer experience. In the interim, maintaining a balance between manual assistance and technological improvements will be essential to mitigate the impact on customer retention and profitability. The bank should regularly review the effectiveness of implemented solutions and remain agile in addressing any new issues that arise.

8. Appendix

8.1 Exhibit

Detailed Process

(Important Note: Must Follow the Sequence of Steps)

Step 1: Application Form

Receive a formal filled up prescribed form, from the customer.

Collect the receipt print of the transaction from the customer and make a copy of it.

Preserve the application and the copy of the receipt print

Step 2: Account Statement

Check the account statement of the said customer in the respective host (UBS-Core Banking System/ABS- Agent Banking System/MBS- Mobile Banking System/Credit Card System)

o If the account is found to be credited in respective host statement, then it is not a Deposit Dispute and no settlement required

o If the account is found to be reversed (credited and debited again), follow Settlement Process B

o If there is no reflection/ transaction not found in respective statement, then go to step 3

Step 3: Transaction Check from Dispute Management System (DMS)

Login to DMS. Go to Reports Menu. Go to 'CRM Statement Checking' Panel

Select Txn Type, Products. Input Account Number. Select Txn Period (Select Current Transaction if the transaction is in the same date, else select Previous Transaction). Press Search to check for the transaction

o If transaction is found, check the response code (respcode) column from the output

- If the response code is 113, follow Settlement Process B
- If the response code is 8 or any other, follow Settlement Process A

o If transaction is not found, then go to step 4

Step 4: Check Receipt Print of the Customer

Check the error printed in the receipt print of the customer

o If there is 'NOTES LEFT BEHIND' in the receipt but there is no 'Void' note, follow Settlement Process A

o If there is 'NOTES LEFT BEHIND' in the receipt and there is void note, count the total serial number of notes printed in the receipt.

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If the number of serial numbers printed matches with the customer claim amount, follow Settlement Process A

If the number of serial numbers printed don't match with the customer claim amount, go to step 5

o For any other error, go to step 5

Step 5: Offload CRM

Offload the CRM. Take view count print from CRM. Count & Check the cash. Fill up the reconciliation report. Credit the offloaded physical cash to Cash in ATM GL

Check if there is any void note in the view count print

o If there is no void note in the view count print, go to step 6

o If there is void note in the view count print, check for fake/ torn note in offloaded cash

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If there is no fake/torn note in the offloaded cash, go to step 6

If there is fake/torn note in the offloaded cash, dispute settlement amount will be changed to (claim amount - torn/fake note amount). Then go to step 6

Step 6: Check Excess Cash

Check for excess amount in offloaded cash and match with claim amount o If there is no excess cash then there is no dispute and no settlement required.

o If the excess cash is less than the claim amount, then the dispute settlement amount = excess amount

o If the excess cash is matched with the claim amount or more than the claim amount, then dispute settlement amount = claim amount - torn/fake note amount (if any)

Go to Step 7

Step 7: Check EJ

Check the Electronic Journal (EJ) of the disputed transaction from the CRM application, to confirm if the customer dispute is valid as requested

o If the transaction claim is not valid as per EJ, then there is no dispute and no settlement required

o If the transaction claim is valid as per EJ, then follow Settlement Process B

General Instructions:

Must follow the sequence of steps

While posting the transaction give the narration as under:

"CRM DEP. Retract refunded for A/C no. /Credit Card No. xxx On (Date), CRM ID-xxx"

Wait at least 1 EOD to settle the transaction (recommended). After 1 EOD, check the statement of the account

in respective host, if the amount is automatically settled or not

For statement checking and settlement, contact with respective Division, if required (ITOD-1/Agent Banking Division/Mobile Banking Division/ Cards Operation Division)

Reconcile the Cash in ATM GL of the branch on regular basis

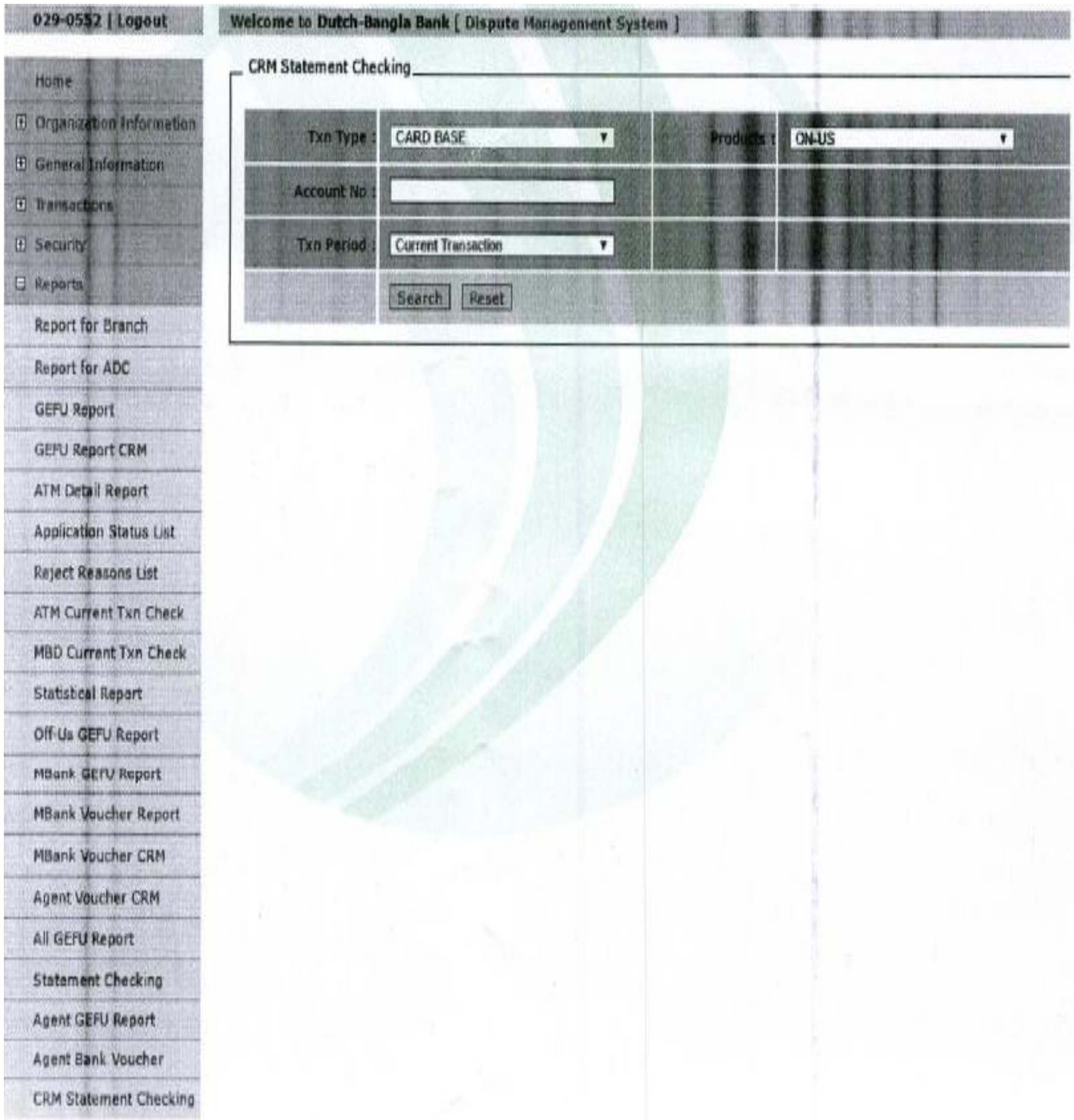


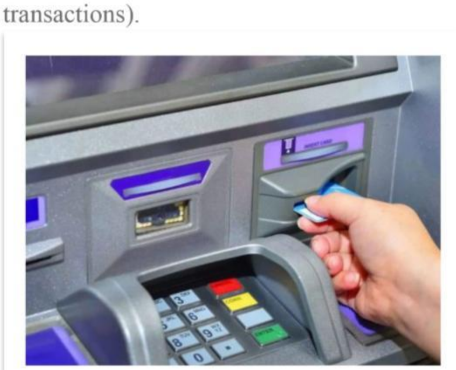
Image 1: Detailed process

DUTCH BANGLA BANK PLC
[For CRM Usage (Cash Deposit)]

1. Core Banking Card/Credit Card Deposit

- After entering the **ATM** booth customers will see the below screen while **CRM** is online. The idle screen will be displayed.

- For **CRM** operations, the customer will insert the card in the designated slot or press the functional key (for cardless transactions).



- Please wait......

- The customer will give the (4)four digit pin number

- To deposit cash press the cash deposit button

- **CRM** cash tray will open and customer will deposit money in cash tray.

- While placing money in the cash tray the following screen will appear, **CRM** will ask "Please place your notes in the **CRM** cash tray". After depositing the cash, the customer will press the confirm button.

- The next screen will show transaction confirmation details, total deposit amount will be displayed. After verifying the information and checking everything, he customer has to press the confirm button.
- At this stage, if the customer does not want to deposit the money, then press the cancel button.

- "Your transaction is successful" screen will show if the deposit is successful.

- The customer will collect his card after the transaction is completed.

- Thank you for using **DBBL CRM** Network.

2. Card less Core Banking Card/Agent Banking Card Deposit

- For **CRM** operation in case of cardless deposit, Customer will press cardless deposit key (button).

- Customer will select the account type ie Core Banking Account/Agent Banking Account in the below screen.

- The next screen will ask for **NID** number and the customer has to enter his valid 10/13/17 digit **NID** number in the below screen and confirm by pressing the correct button.

- On the next screen, The Customer will provide his mobile number for identification and press the appropriate button.

- **OTP** (One Time Password) will be sent from **DBBL** system to the mobile number provided by the customer. Customer has toenter the **OTP** number on the following screen. Then press the correct button to confirm.

- In the next screen enter the full 13 digit Core Banking / Agent Banking Account Number (without dots) and press the correct button.

- This screen will display the typed A/C name and number. The customer has to verify the information and press the confirm button.

- Or press the Cancel button if any information is wrong.

- The **CRM** cash tray will open and the customer will deposit money in the cash tray.

- While placing money in the cash tray the following screen will appear, **CRM** will ask "Please place your notes in the **CRM** cash tray". After depositing the cash,The Customer will Press the Confirm button.

- The next screen will show transaction confirmation details, total deposit amount will be displayed. After verifying the information and checking everything, The Customer has to Press the Confirm button.

- At this stage, if the customer does not want to deposit the money, then press the Cancel button.

- "Your transaction is successful" screen will show if the deposit is successful.