

# Project Paper on Agent Banking in Bangladesh (Study on Bank Asia)

Submitted To

**Controller of Examinations**

National University

Gazipur – 1704.

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Major in Finance



Daffodil Institute of IT



Date of Submission: April 05, 2023

Project Paper  
On  
Agent Banking in Bangladesh;  
(A study on Bank Asia Limited.)

## Letter of Transmittal

April 05, 2023

Controller of Examinations

National University

Gazipur – 1704.

Subject: Submission of the project paper on ***Prospects of Agent Banking in Bangladesh; (A study on Bank Asia Limited.)***

Dear Sir,

With due respect, I would like to inform you that it is a great pleasure for me to submit the report on ***Prospects of Agent Banking in Bangladesh; (A study on Bank Asia Limited.)*** that you assigned me to do as a part of my MBA Program.

I have tried my best to gather information regarding reports as much as possible. I hope that this report will meet the due standard.

I am grateful to be able to prepare this report under your guidance. I will remain deeply grateful if you kindly give your valuable time to go through the information and evaluate my performance. I will be very happy to provide any further justification if necessary.

Sincerely yours,

-----  
Md. Mahfuzul Islam

ID-620030, 6<sup>th</sup> Batch

Department of Finance

Daffodil Institute of IT (DIIT)

## Certificate of Supervisor

*TO WHOM IT MAY CONCERN*

This is notifying Md. Mahfuzul Islam, student of MBA 6<sup>th</sup> batch; Student ID # 620030, Academic session: 2018-19, Major in Finance, has completed this project paper on ***Prospects of Agent Banking in Bangladesh; (A study on Bank Asia Limited.)*** as a partial requirement for obtaining MBA degree. He has completed the report by himself under my supervision. I have read the report and found that it meets the standard of an MBA degree.

I wish him all the success and a prosperous life.

.....  
Prof. Dr. Mostafa Kamal

Advisor of

Daffodil Institute of IT (DIIT)

## Student's Declaration

I do hereby declare that my report of project titled on “Agent Banking in Bangladesh” of Bank-Asia has been carried out by me and has not been submitted previously to any other university, college or organizations for an academic qualification, certificate, diploma or degree.

This information that I have presented in this report does not go against any existing copyright. Different resources have been used as supportive tools for preparing the report.

I further undertake to compensate the department against any loss or damage arising from breach of the foregoing obligations.

.....  
Md. Mahfuzul Islam

ID-620030, 6<sup>th</sup> Batch

Department of Finance

Program: Master of Business Administration (MBA)

Daffodil Institute of IT (DIIT)

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First of all, I would like to thank all mighty Allah for giving me the opportunity and strength to complete the internship report successfully and on time. It is a pleasure to receive this opportunity to thank some people who have encouraged, directed, and supported me throughout the project report.

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I would like to express my deepest gratitude to my honorable project supervisor **Prof. Dr. Mostafa Kamal** and **Md. Omar Faruk** Assistant Professor & Head of (MBA Program), Daffodil Institute of IT (DIIT) for her valuable supervision and guidance to complete this report. Her support, cooperation, valuable advice, and inspiration help me to overcome all the problems regarding this Project program and make me able to prepare a complete report like this.

I also extend my deepest appreciation to the Department of Business Administration, Daffodil Institute of IT (DIIT) for their individual contribution and cooperation in advancing this report. Finally my heartfelt thanks to all people who were involved both directly and indirectly in the readying of this project report.

## Abstract

Agent Banking means providing limited-scale banking and financial services to the non-banking population through engaged agents under a valid agency agreement, rather than a teller / cashier. It is the owner of an outlet that operates banking transaction on behalf of a bank. It is most popular financial services in the world where there are difficulties in accessing geographical locations easily. And that is why agent banking is really successful in Latin America & Africa. Other developed like the United Kingdom, Australia, etc. countries are also gradually deploying agent banking because it reduces the cost of operating the bank. Most of the services of a bank can be provided through agents, thus people of the remotest areas of a country can be brought under proper financial structure by the virtue of agent banking. According to the agent banking guideline, the software of any individual agent will be connected to the core software of the bank, so transactions that will take place on agent premises will be shown in the banking system in real time. Rack up a branch in a specific area is very costly, so the banks are enrich agent banking services for the unbanked people which has a little cost. There are almost 160 million people in Bangladesh but most of them people are unbanked.

This report consists of five chapters. In the first chapter of this report the preamble of agent banking, the origin of the information, and the objectives for the report are made discussed. The scope, methodology, and research design are also discussed in the middle part of this chapter.

The second chapter is about the literature review. What works have been done before on this topic of agent banking and its possibility in Bangladesh. Then in the third chapter, there is a broad discussion about the company overview of Bank Asia Limited. This part consists of the historical background, profile, structure, hierarchy, and objectives of the company.

The fourth and fifth chapter of this report consists of the findings and analysis of agent banking in Bank Asia Limited and also the conclusions and recommendations. The analysis part consists of the definition of agent banking, guidelines provided by the Bangladesh bank on agent banking and statistical analysis on the prospect of agent banking in Bangladesh. There are findings and suggestions given in the later part. The fifth and last parts of this report consist of a conclusion and recommendation for further research on this topic.

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## Chapter 1: Introduction

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## **1.1 Introduction**

Agent banking means providing limited-scale banking and financial services to the underserved population through engaged agents banking under a valid agency agreement, rather than a teller/ cashier. It is the owner of an outlet that conducts banking transactions on behalf of a bank. Globally these retailers are being increasingly utilized as essential distribution channels for financial inclusion. Bangladesh Bank has also decided to promote this complimentary channel to reach the poor segment of society and existing bank customers with a range of financial services, especially to geographically dispersed locations.

To ensure the safety, security, and loudness of the proposed delivery channel Agent Banking Guidelines have been framed by the Bangladesh Bank to permit banks to be engaged in agent banking.

Agent banking is a unique and new service system to the banking sector and most of people don't fully understand the systems of agent banking. Agent banking is a service that provides customers a limited scale banking and various types of financial and transactional services to people who don't get any opportunity or services from the banking sector in their area and it will be provided through an agent who will be the represent of a certain bank and provide all the possible banking services they can purchase. (Riaz, 2017)

Agent banking service of the banking sector recruit agent in rural agent points with valid agency agreement. The agent is the owner of that agent point and conducts all the transactions on behalf of Bank Asia. Bangladesh Bank pushes this service to reach the poor phases of society. The agent points are placed by the Bangladesh Bank to engage all other banks in Agent banking.

## 1.2 Origin of the Report

To relate theoretical knowledge, however, the purpose of the report is typically to provide an analysis of a particular topic or issue and to provide recommendations for improvement. The MBA thesis is typically a research-based paper that is written to fulfill the requirements of the MBA program.

As I am a student of MBA, majoring in Finance, the purpose of this thesis is to complete my MBA program. I have proposed the topic of “Prospects of Agent Banking in Bangladesh; (A study on Bank Asia Limited).” my thesis supervisor Prof. Dr. Mostafa Kamal, lecturer at (DIIT) helped me to select this topic.

## 1.3 Objectives of the Study

The core objective or goal of the study is to expand realistic and practical knowledge about agent banking and share this knowledge with users. There are some broad and specific objectives. Such as:

### **Broad objective:**

The broad objective of this study is to familiarize sights with the potential benefits and challenges of agent banking as a tool for promoting financial inclusion and expanding access to financial services, particularly in areas where traditional banking services are limited or unavailable.

### **Specific Objectives:**

- To relate theoretical knowledge with the industrial aspect.
- To develop knowledge about the Agent Banking system of Bank Asia.
- To gain knowledge about present market scenario of Agent Banking in Bangladesh.
- To identify the problems and prospects of the Agent Bank system of Bank Asia. Along with some possible recommendations.

## 1.4 Scope of the Study

The scope of the study means the area this report covers. This report covers the area of different departments and products of Bank Asia Limited. For the project part of the report, the study is based on the Agent Banking Department, products, services, functions, and prospects of Agent Banking in terms of Bangladesh perspective.

## 1.5 Methodology of the Study

Both quantitative and qualitative data are used in my study. There are few statistical and analytical systems used to make this report presentable and understandable format for the users. Data collected for this study search has been collected from primary and secondary sources.

### Collection of Primary Data

- Face to face discussion with the Executives and officers of the Agent Banking department of Bank Asia Ltd.
- Face to face discussion with the Customers of Agent Banking of Bank Asia Ltd.
- Face to face discussion with the Agents of Agent Banking of Bank Asia Ltd.
- Practical work experiences.

### Collection of Secondary Data

Along with the primary data I also have elaborated different types of secondary data in my research from various external sources. These are as follows:

- Website of Bank Asia Ltd.
- Website of Agent Banking of Bank Asia Ltd.
- Annual report of agent banking of Bank Asia Ltd.
- Different papers of the organization along with related organization.
- Other secondary sources were books and articles on the related factors in the conceptual framework of the report.
- Website of Bangladesh Bank.
- Different daily and online newspapers.

## 1.6 Research Design

**Research Design** The study adopted a cross-sectional survey design. A cross-sectional survey collects data to make inferences about a population of interest (universe) at one point in time. Hall (2013) describes cross-sectional surveys as snapshots of the populations about which they gather data. A cross sectional study looks at data collected across a whole population to provide a snapshot of that population at a single point in time.

- i. **Target Population:** The study targeted administration managers and supervisors of the branches of Bank Asia in Dhaka and adopted the agency banking model. Census was employed in selecting participants in the study. This is because the total population number (1500) and the sample size was small (40). According to Burns (2010), one of the advantages of census surveys over the other types of surveys is accuracy. Since the respondents involved in census surveys are the members of a given population, the survey data to be collected will be more reliable and accurate than the data gathered from sampling surveys.
- ii. **Data Collection:** The study collected primary data. In this research, the researcher used questionnaires to collect data. The researcher opted for the questionnaire because the responses are gathered in a standardized way so questionnaires are more objective compared to other tools of data collection.
- iii. **Data Analysis:** Descriptive methods such as frequency distribution and percentages were used to analyze quantitative data. The qualitative data were analyzed using thematic analysis. Regression analysis was conducted with the help of SPSS. Linear regression was used to help indicate if agency banking had a significant relationship with financial inclusion and to indicate the relative strength of different independent variables'. Take a survey through a structured questionnaire and use systematic sampling method format below:

Population Size (N): 1500

Sample Size (n): 40

Interval Sample (K): 80

We know,

Systematic Sampling,

$$K = \frac{N}{n}$$

$$80 = \frac{1500}{n}$$

$$n = \frac{1500}{80}$$

$$n = 40$$

## 1.7 Questionnaire Design

I have used the method of Likert Scale in preparing the questionnaire for my study. To make this questionnaire I have to put a lot of effort to make easily communicable for the users. My motive to make this questionnaire is not only to conduct my survey but also to encourage the

respondents to participate in agent banking. In the first part of this questionnaire, I put the topic name, my introduction, and also the purposes of this survey shortly. Then there is the name, age, gender, the profession of the respondent, and also if he/ she had any account with Bank Asia is asked. After that portion of the questionnaire, there are 18 direct or indirect correlated questions with agent banking of Bank Asia Ltd. I have used five scales of Likert model to prepare my survey and lastly, there is a recommendation portion. The five scales point of Likert Scale anchored the verbal statement at the number-

1= “Strongly Disagree”

2= “Disagree”

3= “Neutral”

4= “Agree”

5= “Strongly Agree”

*Figure 5 Questionnaire Design*

## 1.8 Sampling Plan

The sample of this study consisted of the customers and agents of agent banking of Bank Asia ltd. I selected 40 people as samples from Dhaka. For time and budget constraints, I decided to pursue the agent and customers of agent banking of Bank Asia Ltd. who have taken our services. For conducting this research, I have taken the sample size as 40.

For conducting this research, I used the Cluster sampling method. Cluster sampling is a sampling the technique used when "natural" but relatively homogeneous groupings are evident in a statistical population. A survey method was used to collect data.

Data were collected through a questionnaire. After collecting the data, then these were organized and summarized through scrutiny, then coding and interpreting the result.

### 1.9 Problems Definition

When I was working with Agent Banking of Bank Asia Ltd. I found some problems which are creating obstacles in its growth. These are as follows:

- Lack of trained agents working as Bank Asia agent.
- The system is online based but more often or not the server is down.
- The 3G and 4G network does not work well in the rural area.
- The Promotional activities of the Agent Banking of Bank Asia are very few.
- There is lacking in knowledge about the Agent Banking among the customers.
- The profit of the Agent banking is not enough for the agents and requires a lot of patience from them.

### 1.10 Limitations of the Study

As I was an intern of Bank Asia, it was easy to collect data from different parts. But there has some limitation also. I had to face different troubles during the study. Some of these are given below-

- Information collection from the respondents is not easy.
- The figures getting from the Bank Asia Limited has to recalculate as the data were given on an average.
- The literature and study materials on the banking sectors were not up to date.
- There is lacking of analytical ability and thoughts to make the best report.
- It is quite tricky to draw a complete picture of the Bank Asia, Agent Baking activities within a short period of time of three months.

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## Chapter 2: Literature Review

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A recent study on Agent banking found that Agent banking is very successful in Latin America & Africa. Other developed like the United Kingdom, Australia, etc. countries are also gradually deploying agent banking because it reduces the cost of operating the bank. Most of the services of a bank can be provided through agents, thus people of the remotest areas of a country can be brought under proper financial structure by the virtue of agent banking. According to the agent banking guideline, the software of any individual agent will be connected to the core software of the bank, so transactions that will take place in agent premises will be shown in the banking system in real-time and those transactional statements can be used anywhere and everywhere for different purposes of the client. (Siddiquie, Jul-Aug. 2014) A recent study showed that most customers were satisfied with agent bank-services which is a mean score of above 2.0. The factors that led to this were such as banking agents being highly qualified and responsive toward customer satisfaction. The customers said that they would prefer to go to agent bank outlets other than the bank itself. They also said that they were regular agent banking customers and would recommend it to others. (kitali, June 2015) (Patricia-Nezianya & Daniel, 2014) A recent study showed that most customers were satisfied with Investigated that Agent banking has become an essential practice of financial institutions in bringing their services closer to the people on the grass root. There is no doubt that agent banking if adopted into the Nigerian banking system will help to improve banks' profitability. A Study showed that the Agent banking service is kind of new to this country and it's still not that spread across the country. The main purpose of agent banking is to bring and introduce banking services to the people of rural areas through an agent where the physical structure of a bank can't establish there. (Adib, 2016) The amount of money expended by financial service providers to serve a poor customer with a small balance and conduct small transactions is simply too great to make such accounts viable. In addition, when financial service providers do not have branches that are close to the customer, the customer is less likely to use and transact with their service. However, we see the emergence of new delivery models as a way to drastically change the economics of banking for the poor. By using retail points as cash merchants (defined here as agent banking), banks, telecom companies, and other provider scan offer saving services in a commercially viable way by reducing fixed costs and encouraging customers to use the

service more often, thereby providing access to additional revenue sources. (Veniard, November 2010) There is an increasing need to promote technological and institutional innovation as a means to expand financial system access and usage, including addressing infrastructure weaknesses and empowering business enterprises by developing financial literacy and financial capability programs to bring all people on board and all to participate in the economic development of a country, perhaps agent banking will offer a solution to slow pace of individuals enterprise development, especially from the rural areas. (Atandi, 2015) (Lyman, October 2006) realize that rather than using bank branches and their own field officers, agent banking offers banking and payment services through postal and retail outlets, including grocery stores, pharmacies, seed and fertilizer retailers, and gas stations, among others. For poor people, “branchless banking” through retailagents<sup>1</sup> may be far more convenient and efficient than going to a bank branch. For many poor customers, it will be the first time they have access to any formal financial services—and formal services are usually significantly safer and cheaper than informal alternatives. (Chiteli, October 2013) Investigated Agent Banking Operations as a Competitive Strategy of Commercial Banks, and found that Organizations exist as open systems hence there is constant interaction within the environment in which they operate. In this era of the ever-changing global economy with every organization striving to achieve competitive advantage since the changes present both opportunities and challenges, notes that organizations must find ways of operating by developing new competencies as the old competencies gained are quickly eroded due to changes in both internal and external environments. According to (Financial Sector Deepening Kenya, 2010), the most recent data available indicates that only 19% of adult Kenyans reported having access to a formal, regulated financial institution while over a third (38%) indicated no access to even the most rudimentary form of informal financial service. This leaves a percentage of more than 80% outside the bracket of the reach of mainstream banking. The pent-up demand for an affordable and reliable way of holding funds while ensuring that risk levels are consigned to a minimum is consistently unfolding. A system with the potential to obliterate the historical hurdles of cost and free access which have for a long time stood in the way of willing partakers of banking services evokes immediate attention and interest. Implementation of the agent banking services in Kenya is a testament to this fact.

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## Chapter 3: Company Profile

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### 3.1 Historical Background

Bank Asia Limited is a scheduled Bank under private sector established within the ambit of the Bank Company Act of 1991 and was incorporated as a Public Limited Company under the Company Act, of 1994 on September 28, 1999. The Bank started commercial banking operations on November 27, 1999, with the inauguration of the Bank's Corporate Office at the Rangs Bhaban. It was the time when rapid economic development in the country concurrent with urbanization and lifestyle change created demands for new banking products and services. A huge public response has enabled the Bank to keep up the plan of expanding its network. The opening of the principal office was a big leap forward and successively the opening of the Gulshan and Chittagong branches expanded the horizon of Bank Asia to bring its services to valued clients more effectively. Within a short period, the bank has opened four more branches in Dhaka and two branches in Sylhet and Kishorgonj. In February 2001, Bank Asia took over the Bangladesh operation of The Bank of Nova Scotia, the first acquisition of a foreign bank by a local bank in the banking history of Bangladesh. Later, Bank Asia took over the Bangladesh operation of the Muslim Commercial Bank of Pakistan in December 2001. These courageous moves were possible for some visionary decision-makers and also a dedicated team of professionals who are constantly putting their best efforts to establish the bank as one of the leading concerns in the industry.

Bank Asia Limited is one of the most successful banks among third-generation private banks. The bank has successfully entered its seventeenth year of operations. With a professional and dedicated team of management having long experience, commendable knowledge, and expertise in conventional and modern banking, the bank has achieved success among its peer group within a short span of time.

Within a short span of time, Bank Asia has established itself as one of the fast-growing local private banks. It has at present a network of one hundred and twelve branches serving many of the leading corporate houses and is gradually moving towards retail banking. Its other significant delivery channel is the shared ATM Network. Bank Asia has almost 142 ATM

Booths of their own and 8523 ATMs shared as a member of ETN (E – cash) along with eleven other banks. In 2003 the Bank again came to the limelight with an oversubscription of the Initial Public Offering of the shares of the Bank, which was a record (55 times) in our capital market's history and its shares command a respectable premium. Bank Asia has been actively participating in the local money market over and above the foreign currency market without uncovers the Bank to vulnerable positions. The Bank's investment in Treasury Bills and other securities went up noticeably opening up opportunities for enhancing income in the context of a regime of gradual interest rate decline. Bank Asia is maintaining its competitiveness by leveraging on its Online Banking Software and modern IT infrastructure. It is the pioneer amongst the local banks in introducing innovative products like SMS banking, and under the ATM Network, the Stellar Online Banking software enables direct linking of a client's account, without the requirement for a separate account. Currently, Bank Asia is a bank with a network of 127 branches including 4 rural branches.

### 3.2 Company Profile of Bank Asia

Type	Private
Industry	Banking
Letter of Intent received	February 24, 1999
First meeting of the promoters held	April 15, 1999
Certificate of Incorporation received	September 28, 1999
Certificate of Commencement of Business	September 28, 1999
First meeting of the Board of Directors held	October 01, 1999
Banking License received	October 06, 1999
First Branch license received	October 31, 1999
Inauguration of Bank	November 27, 1999
Headquarters	Rangs Tower (Level 2 to Level 8), 68, Purana Paltan, Dhaka - 1000.
Key People	MR. ROMO ROUF CHOWDHURY (Chairman), MR. MOHD. SAFWAN CHOUDHURY (Vice Chairman)

Products	Deposit Schemes, Credit Schemes, Agent Banking, SME banking, Islamic Banking, Miscellaneous Products
Number of Promoters	22
Number of Directors	17
Number of Branches	129
Number of SME centers	4
Islamic wings	5
Brokerage branches	5
Number of ATM Booths	201(own) & 8,523 (+) shared
Slogan	For Better Tomorrow
Number of Employees	2604

*Table 1 Company Profile*

*Source: Website of Bank Asia*

### 3.3 Company Overview

Bank Asia commenced operation on November 27, 1999, by a group of successful entrepreneurs of Bangladesh with the basic objective of bringing high-quality service to the banking sector and actively participating in the growth and expansion of the national economy. Bank Asia is the only bank in Bangladesh to acquire the Bangladesh operation of two foreign banks namely Muslim Commercial Bank of Pakistan and Bank of Nova Scotia of Canada.

It set milestones by acquiring the business operations of the Bank of Nova Scotia in Dhaka, the first in the banking history of Bangladesh. It again repeated the performance by acquiring the Bangladesh operations of Muslim Commercial Bank Ltd. (MCB), a Pakistani bank.

In the year 2003, the Bank again came to the limelight with an oversubscription of the Initial Public

Offering of the shares of the Bank, which was a record (55 times) in our capital market's history and its shares command a respectable premium.

The asset and liability growth has been remarkable. Bank Asia has been actively participating in the local money market as well as the foreign currency market without exposing the Bank to vulnerable positions. The Bank's investment in Treasury Bills and other securities went up bold opening up opportunities for enrich income in the context of a regime of gradual interest rate decline.

Bank Asia Limited started its service with visualize to serve people with modern and innovative banking products and services at affordable charges. Being parallel to cutting-edge technology is offering online banking with added delivery channels like ATM, Telebanking, SMS, and Net Banking. And as part of the bank's commitment to providing all modern and value-added banking services in keeping with the standard in a globalized world.

### Awards & Achievements

- Bank Asia has been awarded “Gold Rank” in Asia Sustainable Reporting Rating in 2019 by National Center for sustainability Reporting (NCSR), Indonesia.
- 18th ICAB National Award for ‘Best Presented Annual Reports 2018’ (Private Sector Banks)
- Retail Banking Awards 2018
- 11th ICAB National Awards for Best Published Accounts & Reports 2010 in the Financial Sector-Banking.

### Slogan

“For A Better Tomorrow” is the Slogan of the Bank Asia Limited. As the Vision is to make Bangladesh a poverty free country and Mission is to serve the best to satisfy the client, Shareholders and also satisfy the employees the slogan.

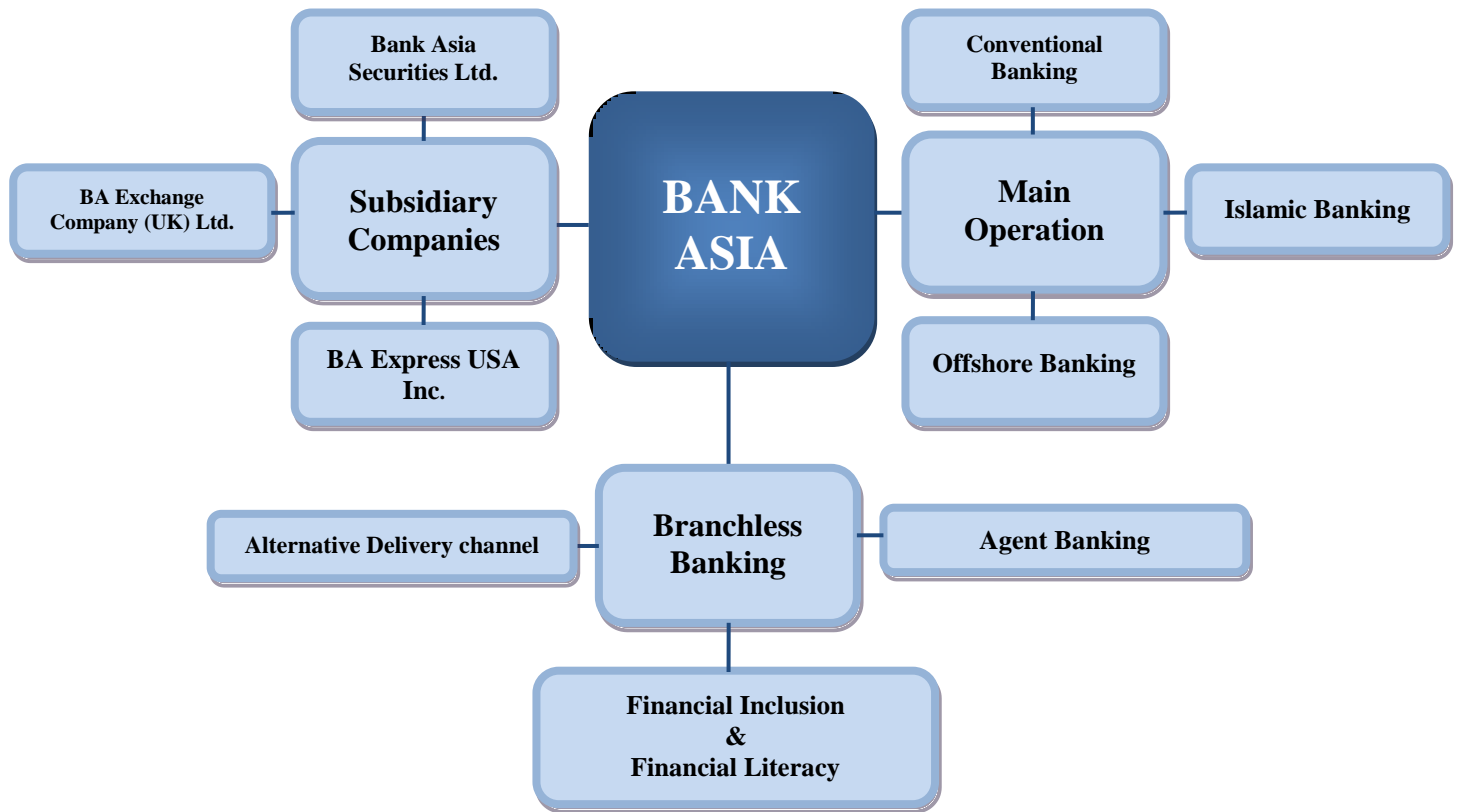


*Figure 2 Logo*

The First top form of the logo of Bank Asia, and the bottom one is the logo of Agent Banking of Bank Asia Ltd.



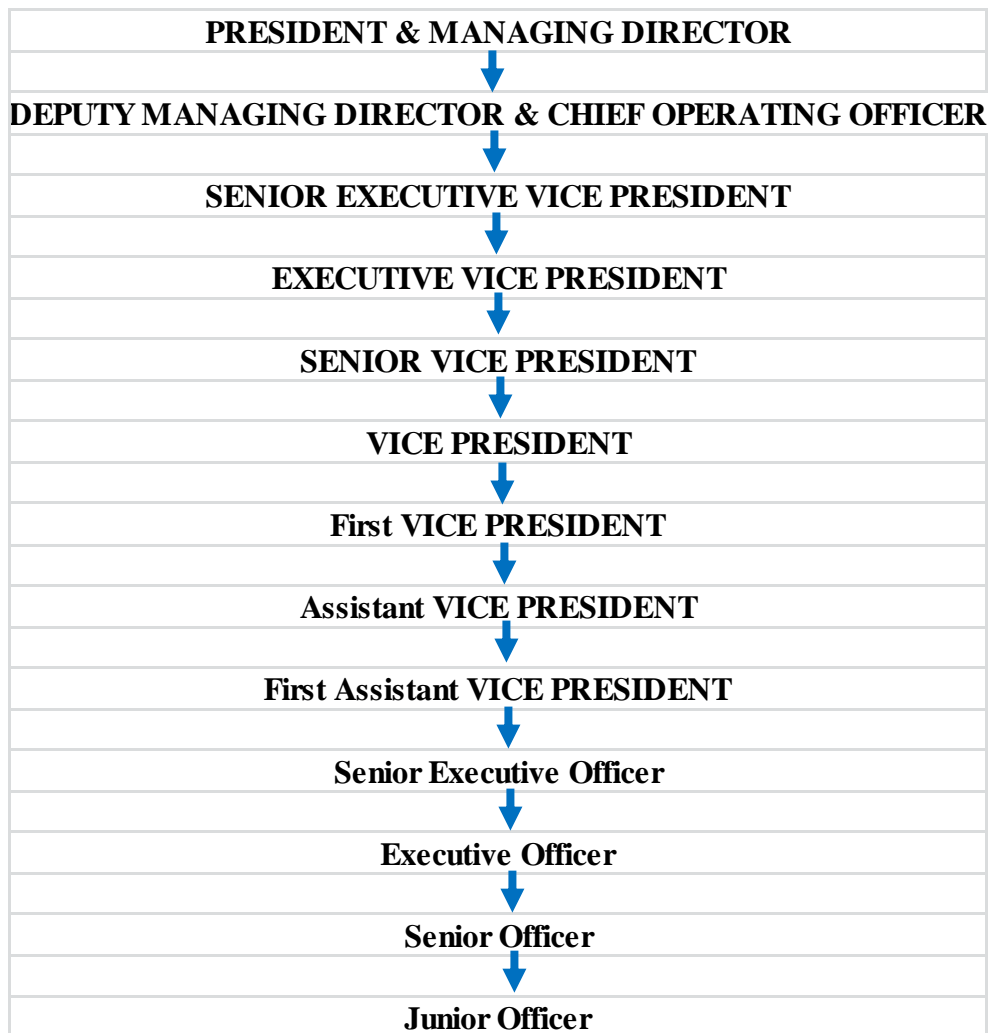
### 3.4 Structure of the Corporate Office



*Figure 3 Structure of the Corporate Office*

Source: Bank Asia's Official Document

### 3.5 Organizational Hierarchy



*Figure 4 Organizational Hierarchy*

Source: Bank Asia's Official Document

### 3.6 Employment Opportunity

Bank Asia recruit graduate and post graduate candidate in two different post. One is Trainee Officer and another is Management Trainee Officer. In trainee officer candidate should have minimum graduation in business studies, statistics, physics, and mathematics or in economics. After joining as Trainee Officer (TO), the candidate should have to be in training period for one year. After successful training of one year he/she will be absorbed as banking officer.

On the other hand, for Management Trainee Officer, the candidate should have minimum Post graduation degree in business studies, statistics, physics, and mathematics or in economics. After joining as Management Trainee Officer (MTO), the candidate should have to be in training period for one year. After successful training of one year he/she will be absorbed as senior officer.

### 3.7 Policy of Bank Asia

Bangladesh is trying hard and soul to make and give effort to be an efficient player in the global market in terms of business. Accordingly, Bank Asia Limited will as a matter of policy, mobilized its financial, non-financial and human resource in conformity with international norms, standards and practices.

In the domestic economic field Bank Asia Limited has set its sight on providing its clientele the edge of banking and finance which will enable then to run their enterprises profitability. Bank Asia Limited give a hand the customer with its technology, know how training and specialization, and will provide world class banking system.

### 3.8 Corporate Objectives of Bank Asia

Bank Asia's corporate objectives are reflected in the following areas:

- Highly personalized service.
- Customer-driven focus.
- Total commitment to quality.
- Contribution in the economy.

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## Chapter 4: Analysis and Findings

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## 4.1 Agent Banking

Agent banking means providing limited-scale banking and financial services to the underserved population through engaged agents under a valid agency agreement, rather than a teller/ cashier. It is the owner of an outlet that operating banking transactions on behalf of a bank. Globally these retailers are being increasingly utilized as important distribution channels for financial inclusion. Bangladesh Bank has also decided to promote this laudatory channel to reach the poor segment of society as well as existing bank customers with a range of financial services, especially to geographically dispersed locations.

With a view to ensuring the safety, security, and soundness of the proposed delivery channel Agent Banking Guidelines have been framed by the Bangladesh Bank to permit banks to be engaged in agent banking.

The purposes of these guidelines are to:

- Provide regulatory framework for Agent Banking which will create an enabling environment for offering safe financial services to the new target group.
- Ensure compliance with Anti Money Laundering and Combating Financing of Terrorism (AML/CFT) standards set by AML/CFT rules, regulations, guidelines and instructions issued by Bangladesh Bank.

## 4.2 Guidelines on Agent Banking

Bangladesh Bank is issuing this guideline as per authority conferred to it by Article 7A (e) of Bangladesh Bank Order, 1972, Section 45 of Bank Company Act, 1991 and Section 4 of Bangladesh Payment and Settlement Systems Regulations, 2009. (Bangladesh Bank, 2009)

### Agent Banking Services

The following services will be covered under Agent Banking:

- Collection of small value cash deposits and cash withdrawals (ceiling should be determined by BB from time to time);

- Inward foreign remittance disbursement;
- Facilitating small value loan disbursement and recovery of loans, installments;
- Facilitating utility bill payment;
- Cash payment under social safety net program of the Government;
- Facilitating fund transfer (ceiling should be determined by BB from time to time);
- Balance inquiry;
- Collection and processing of forms/documents in relation to account opening, loan application, credit and debit card application from public;
- Post sanction monitoring of loans and advances and follow up of loan recovery.
- Receiving of clearing cheque.
- Other functions like collection of insurance premium including micro- insurance etc.

An Agent must provide, as a minimum, cash deposit and cash withdrawal services. The agent's activities would be within normal course of banking business of the scheduled banks but conducted at places other than bank premises/ ATM booths. Agent must provide services in the designated business premises.

Agents are not allowed to provide the following services on behalf of the banks:

- Giving final approval of opening of bank accounts and issuance of bank cards/ cheques;
- Dealing with loan/ financial appraisal
- Encashment of cheques and
- Dealing in Foreign currency.

### **Agent Banking Model**

According to the Guidelines of the Bangladesh Bank the agent banking model is given below:

- An agent can act as agent of more than one bank at a time but at the customer end point a retail outlet or sub agent of an agent shall represent and offer banking services of only for a single bank. The written agreement between bank and the agent should be

carefully defined and legally vetted. The agreement should also contain clauses related to confidentiality/safety/ soundness and accuracy of all the transactions as well. Full financial disclosure, transparency and accountability of the agent must be ensured.

- The bank shall assign one of its branches/offices to be responsible for the agent operating in the designated area of the branch.
- The agents are to be equipped with IT device like point of sale (POS) with biometric features capturing and reading facilities, card reader, mobile phone, barcode scanner to scan bills for bill payment transactions, Personal Identification Number (PIN) pads and may have Personal Computers (PCs) that are to be connected with their bank's server using a personal dialup or other data connections. Clients may use magnetic stripe bank card or mobile phone to access their bank account.
- Identification of customers shall be done through a PIN/ Biometrics.
- In the customer end the transaction should be operating through ICT devices that are continuously and uninterruptedly integrated to the systems developed by banks. The figures of the transactions must be reflected in 'Core Banking Solution' (CBS) of the bank. The transactions should be executed on real time basis. No transactions can be performed in case of communication failure. At the end point the customer will get instant confirmation of their transaction through visual basis (screen based like SMS) and paper based (debit or credit slip) also.
- The bank shall brand agent banking business in such a clear manner so that the customer can realize that the agent is providing services on behalf of the bank.
- The agent of the concerned bank should deposit a fixed amount of money or should have a credit limit with the bank and up to that level the agent can make transactions with the clients. If any transaction is tried beyond that level, system will automatically stop the transaction.

### **4.3 Agent Banking of Bank Asia**

Bank Asia limited a 3rd Generation Commercial Bank established by renowned businessman and dedicated experience Bankers with a vision to provide state of art banking service for mass people. They have successfully acquired the business of 2 (two) foreign Banks, The Muslim

Commercial Bank and Scotia Bank. To connect the geographically dispersed population to banking net has started Agent Banking recently through Bank's authorized agent. Bank Asia is the pioneer have successfully introduced Agent Banking in 6(six) Upazila under Munshiganj District as a pilot Project. This success has given the confidence to expand the project all over Bangladesh. The main purpose of this manual is to guide the Agent for handling bank transactions and provide information to serve customers properly. When a person Execute agreement with Bank Asia for conducting Agent banking activities and takes initiative directed by bank, he /she will be recognized as an agent legally. There are 197 outlets of Agent Banking of Bank Asia all over Bangladesh in 95 Upazila of 39 Districts of 7 Divisions. (Bank Asia Limited, n.d.)

### Vision

To bring low cost, secured financial services at the doorstep of the unbanked people of Bangladesh as a part of financial inclusion for empowerment

### Mission

The mission of Agent Banking is to create more protected financial inclusion by offering technology driven banking solutions to the unbanked people living in rural and dispersed people of Bangladesh.

### Objectives

Bank Asia Agent Banking success depends on meeting the following objectives:

- Provide secured banking services to the unbanked people throughout the country
- Build agent booths all over the country and create financial service entrepreneurs
- Setting up District/ Upazila Level back office throughout the country
- Provide foreign inward remittance services to the families of expatriate Bangladeshis
- Provide facilities for utility bill payment, Passport fee payment, social safety net payment services, etc.
- Process Agricultural, SME & Retail loan from the agent points
- Enable e-Commerce services through the agent points



- Promote school banking in the locality
- Train and Develop the prospective SME entrepreneurs
- Financing solar home system and renewable energy sectors as a green banking initiative

### Eligibility for appointment an agent of Bank Asia Agent Banking

- NGO MFI's regulated by Micro Credit Regulatory Authority of Bangladesh;
- Other registered NGOs;
- Cooperative Societies formed and controlled/ supervised under Cooperative Society Act, 2001;
- Post Offices;
- Courier and Mailing Service Companies registered under Ministry of Posts & Telecommunications;
- Companies registered under 'The Companies Act, 1994';
- Agents of Mobile Network Operators;
- Offices of rural and urban local Government institutions;
- Union Information and Service Centre (UISC);
- Educated Individuals capable to handle IT based financial services, agents of insurance companies, owners of pharmacies, chain shops and petrol pumps/ gas stations.

### Required Qualification for performing as Agent

- Agent must have a permanent resident (As per as NID/Passport).
- Agent must have enough infrastructures for conducting Agent banking.
- Agent should be financially solvent & have ability to hard cash transaction.
- Agent should have ability to meet commitment with customer under adverse situation.
- Agent should have knowledge and ability to handle Technology based financial services.
- All deeds/transaction's record should be preserved for internal audit with enough securities.
- Agent cannot be engaged with any subversive activities.
- Agent should have ability to perform his/her responsibility properly.
- Agent must be concerned about the reputation of the institution.

### **Responsibilities of a Bank agent**

- Agent must be honest, professional & ethical to his / her duties.
- Agent must have proper knowledge about Agent Banking Products and services.
- Agent should take care of electronic device (Computer, POS Printer, Finger print machine etc.) and Ensures proper maintenance and security.
- Agent preserves all paper / documents, transaction record, evidence & deeds.
- Agent will display bank charge of agent banking services in a visible place for the notice of customers.
- After a certain period of Agent submit regular/daily activities to respective officer.
- Agent must comply the rules & regulation of Bank Asia;
- Agent is cordially cooperating to Bangladesh bank and bank officials during audit and inspection of Agent Banking activities.

### **Functions of an Agent**

- Cash deposit and cash withdrawal
- Collection of bill (Utility, tax, subscription fee)
- Foreign remittance payment
- Fund transfer
- Balance inquiry
- Issue of mini statement
- Collection & preservation of A/C opening Form & others receipts copy
- Facilitating small value loan disbursement and recovery of loan instalments.
- Cheque receive for clearing
- Cash payment under government social safety net program
- Collection & preservation of necessary banking E-mail & letters
- Beside these other facilities directed by Bank Asia Limited
- Passport fee collection

## Agent Banking Services

### Cash Deposit:

- Customers will come to the agent point to deposit money & inform the amount desires to deposit.
- Agent will count the cash amount and log to the system through his Bio-metric finger print and input entering customer account number and amount and complete transaction. System will credit the customer account and send SMS message to customer account and a system generated money receipt to be handed over to the depositor. (Bank Asia Agent Banking, 2014)

### Cash Withdrawal:

- Customer will approach to the Agent for cash withdrawal and will mention amount to be withdrawn;
- Agents will input amount in the system and Agent shall request customer to log in to the system though finger print & customer card and system to verify balance available or not in customer's account
- If customer's balance is available, agent will log in to the system through his finger print to complete the transaction. Upon agent's finger print authorization system will debit customer account and same will be credited to the Agent account;
- Customer gets SMS notification about update balance while his/her money has debited;
- On completion of transaction, Agent will pay cash to the customer and system generated debit receipt.

### Payment of foreign remittance:

- Remittance Beneficiary/Customers will visit Agent booth to enquire/ collecting foreign remittance money;
- Agent will provide a form & help the customer to fill up the form properly;
- Accordingly, Agent will input data (Name, Pin No, NID No, Mobile No, Remittance sender's Name, approximate amount of remittance) into system & shall send to the back office for verification;
- Upon verification of remittance information in the remittance company system, back office will confirm Agent & Customers though SMS notification;

#### Collection of Utility Bill:

- Customer will come to an agent point for utility bill payment and give the bill to Agent's Counter.
- Agent will log in to utility bill payment screen, input data (Bill No, Total amount of bill, amount of vat, Mobile No,) into system & select payment mood from system;
- In case of cash payment, Agent will receive cash and enter the data to the system. System will auto credit the REB bill A/C, Vat A/C debiting Agent's Current account.
- In case of payment from customers A/C, Agent will request the customer to input finger prints for authorization to debit customer account an If customer's balance is available in system, customer's A/C will be debited and respective Utility Company's A/C (REB) will be credited automatically;
- If bill amount is BDT 400 or above, agent must affix BDT. 10/- revenue stamps in customer copy of bill. At the end of the day, total amount of revenue stamps affixed in the customer copy will be re-imbrued by Back Office crediting Agent's account.
- Agent will send the copy of utility bills to the Back Office and Back office will send the bills along with a statement to respective REB office.

#### Fund Transfer:

- While a customer comes to an agent point for transferring fund, Agent will provide a remittance form to furnish remittance information is receiver's Bank details, account number, sender's Name and address, A/C no., mobile no. etc.
- According to customer's remittance information Agents will input remittance amount in the system and request customer to log in on to the system though his finger print / customer card for debit authorization and system will verify balance available.
- If customer's balance is available in account, agent to log on in the system through his finger print. System will debit the customer account and credit to receiver's bank A/C. Customer & receiver will get system generated SMS notification
- Agent will provide customer a system generated receipt.

#### Restriction of Agent activity

- Agent shall not ask any charge to the customers for its services, in addition to the charges fixed by the Bank;

- Agent cannot provide any products or services other than Bank Asia Products and Services;
- Agent are not allowed any transaction by cheque except finger print & card;
- Agent should refrain from asking any personal information including account details and PIN number of customers;
- Without getting any written permission, agent cannot engage any other banking business beside Bank Asia agent banking.
- Agents are not allowing to appointing another sub-agent to provide banking services on their behalf.
- Dealing with Loans and Financial appraisal
- Encashment cheques Dealing in Foreign Currency
- Apart from above restrictions for any sort of transactions an agent must have follow Bank Asia Guideline
- Giving final approval of opening of Bank account and issuance of cards.

## Competitors

In terms of Agent Banking the competitors of Bank Asia are:

- NRB Bank Ltd.
- Dutch Bangla Bank Ltd
- Al-Arafah Islami Bank Ltd.
- Modhumoti Bank Ltd.
- Mutual Trust Bank Ltd.
- UCBL
- Standard Bank Ltd.
- NRB Commercial Bank
- Standard Chartered Bank
- First Security Islami Bank
- City Bank
- Islami Bank Bangladesh
- Premier Bank
- United Commercial Bank
- AB Bank

## SWOT Analysis

Every organization is composed of some internal strengths and weaknesses and also has some external opportunities and threats in its whole life cycle. These are discussed below:

### Strength

- Bank Asia provides its customers excellent quality of service.
- Bank Asia draws its strength from the adaptability and dynamism it possesses. It has quickly adapted to world class standard in terms of banking services. Bank Asia has also adapted state of the art technology to connect with the world for better communication to integrate facilities.
- Bank Asia is a financially sound company backed by the enormous resource base of the mother concern Rangs Group.
- All the levels of the management of Bank Asia are solely directed to maintain a culture of the betterment of the quality of the service and development of a corporate brand image in the market through organization wide term approach and open communication system.
- Bank Asia utilizes state-of-the-art technology to ensure consistent quality and operation. The corporate office is equipped with SWIFT (SWIFT is a banking software, used by Bank Asia). All other branches are also equipped with SWIFT system.

### Weaknesses

- Bank Asia has limited human resources compared to its financial activities. As a result, many of the employees are burdened with extra workloads and work late hours without any overtime facilities. This might cause high employee turnover that will prove to be too costly to avoid.
- The officers of Agent banking of Bank Asia are not well trained because they were sent for the work after a short time of training. For that reason, they can't work smoothly.
- The Agents are not well trained also.

### Opportunities

- Agent banking is a part of A2i (Access to Information) projects of Government, for that reason govt. also giving special facilities for this. Govt. gives space in Union Parishad to operate its business.
- Bank Asia starts Agent Banking for first time in Bangladesh and it is covering the whole country rapidly. So it has much scope to enlarge its business comparative to its competitors.
- Agent Banking is becoming popular day by day to the mass people because it takes less time for any kinds of transaction where the branches are taking much time for crowd of many people.

### Threats

- There are lots of banks in Bangladesh but all of these hadn't start agent banking yet. These are starting it gradually.
- As previously mentioned, the world is advancing e-technology very rapidly. Though Bank Asia has taken effort to join the stream of information technology, it is not possible to complete the mission due to poor technology and infrastructure of our country.

## 4.4 Statistical Analysis

This study was conducted on “*Prospects of Agent Banking in Bangladesh; (A study on Bank Asia Limited).*” and the results are derived from the questionnaire which filled by customers of Agent Banking of Bank Asia Ltd. and others banks. When conducted this research, I found some important findings. Here, this study used Excel to catch out the findings of this report. All the result sheets have to be converted into managerially understandable form. The analysis and findings are given in the following simultaneously:

### I. Gender of Respondents

<b>Male</b>	<b>26</b>
<b>Female</b>	<b>14</b>

Table 2 Gender of Respondents

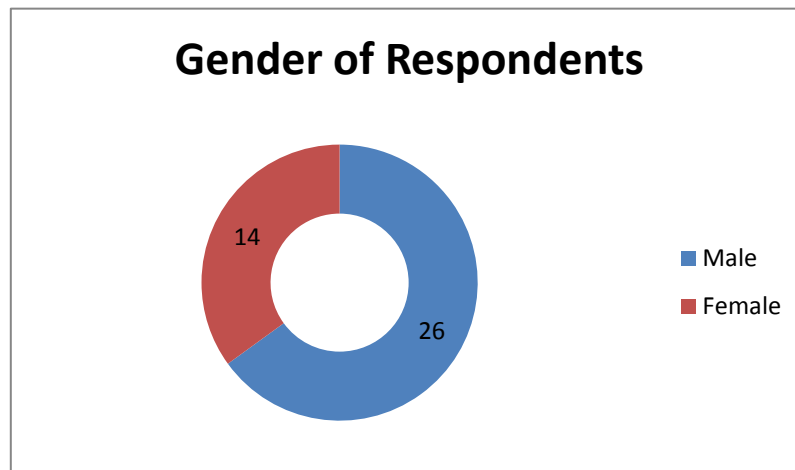


Figure 5 Gender of Respondents

Interpretation: From the above table and chart, it shows that 65 percent respondents are male and rest 35 percent respondents are female. It is also showing that the females are less interested to use banking services comparative to males.

## II. Age Analysis

Below 21	3
21-25	23
26-30	1
31-36	5
Above 36	8

Table 3 Age Analysis

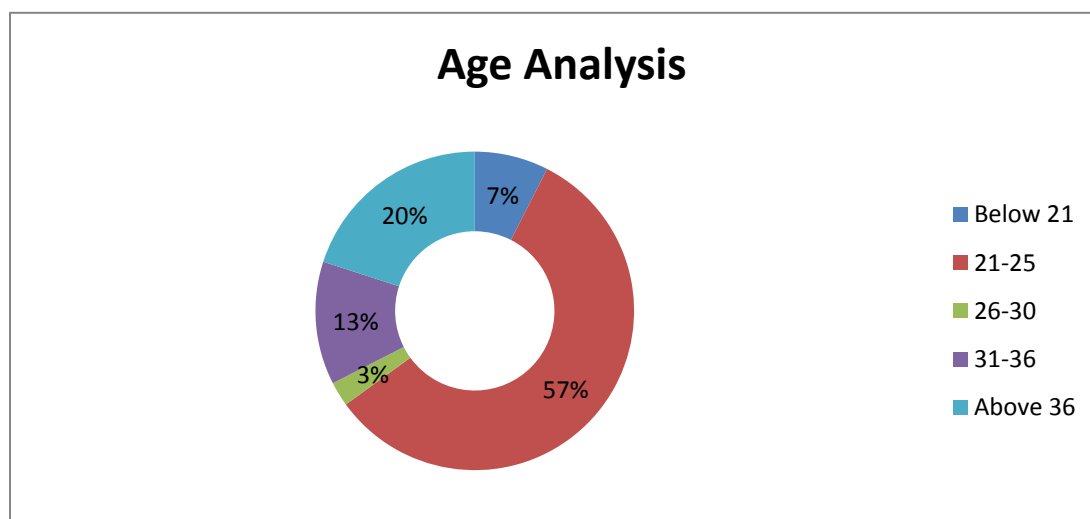


Figure 6 Age Analysis



**Interpretation:** From the above table and chart, it shows that 7 percent respondents are under 21 years, 57 percent respondents are in between 21 to 25 years, 3 percent respondents are in between 26-30 years, 13 percent are in between 31-36 and the rest 20 percent are above 36 years old. So it is showing that the peoples from 21 to 25 years are using banking services mostly.

### III. Profession Analysis

	24
Business	2
Service	11
Teacher	1
Others	1

Table 4 Profession Analysis

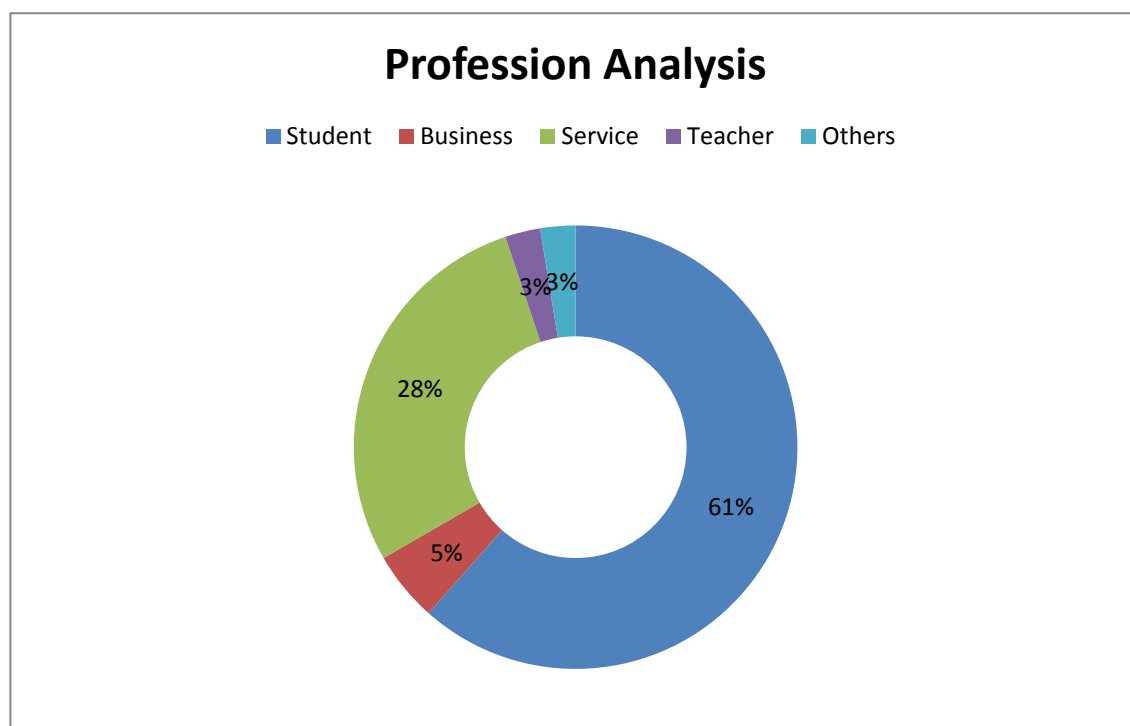


Figure 7 Profession Analysis

**Interpretation:** Here, total respondents were divided into occupation. Occupation was divided into 5 groups as student, business, service holder, teachers, and others. From the Pie Chart, it is found that 61% respondents are students, 5% are businessperson, 28% are service holder, 3% are teachers, 3% are related with others occupation. It also shows that students are the most users of banking services.

#### IV. Knowledge about Products

**Statement:** You are well informed about the products and services of agent banking of Bank Asia Ltd.

Strongly Disagree	5
Disagree	9
Neutral	7
Agree	14
Strongly Agree	5

Table 5 Knowledge about Products

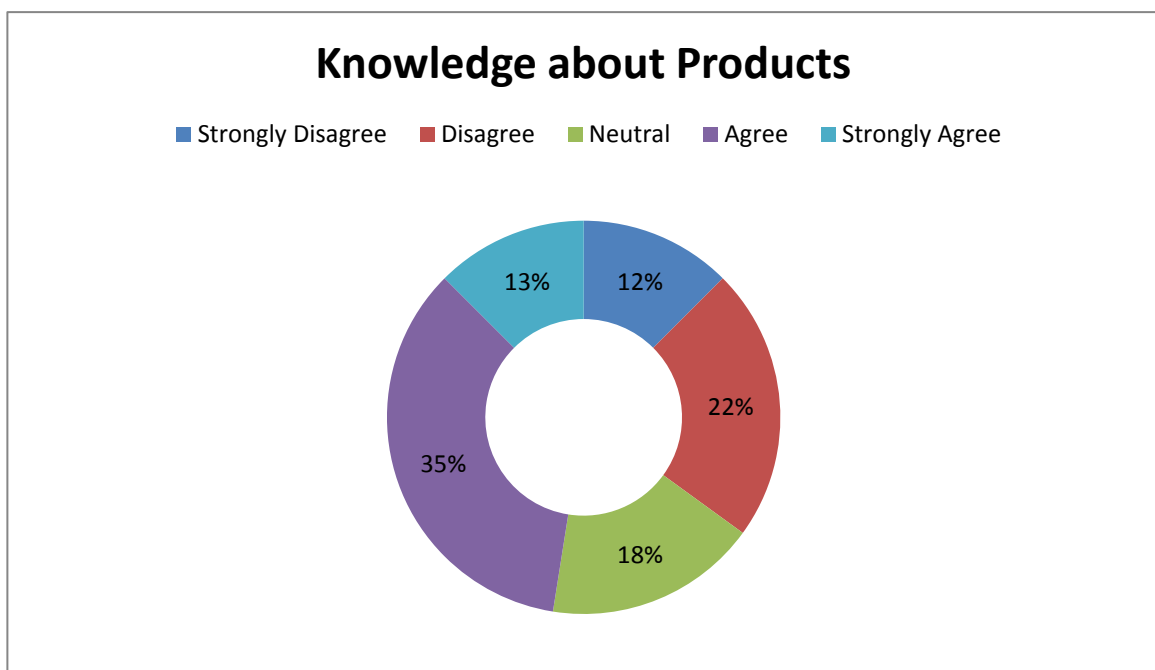


Figure 8 Knowledge about Products

**Interpretation:** From the above table and chart, it shows that 35 & 13 percent respondents are respectively agree and strongly agree with knowing about products which is positive for the banks.

#### V. Products Comparison with Competitors

**Statement:** The products of agent banking of Bank Asia Ltd. are more attractive comparative to others banks.

	1
Disagree	6
Neutral	11
Agree	13
Strongly Agree	9

Table 6 Products Comparison with Competitors

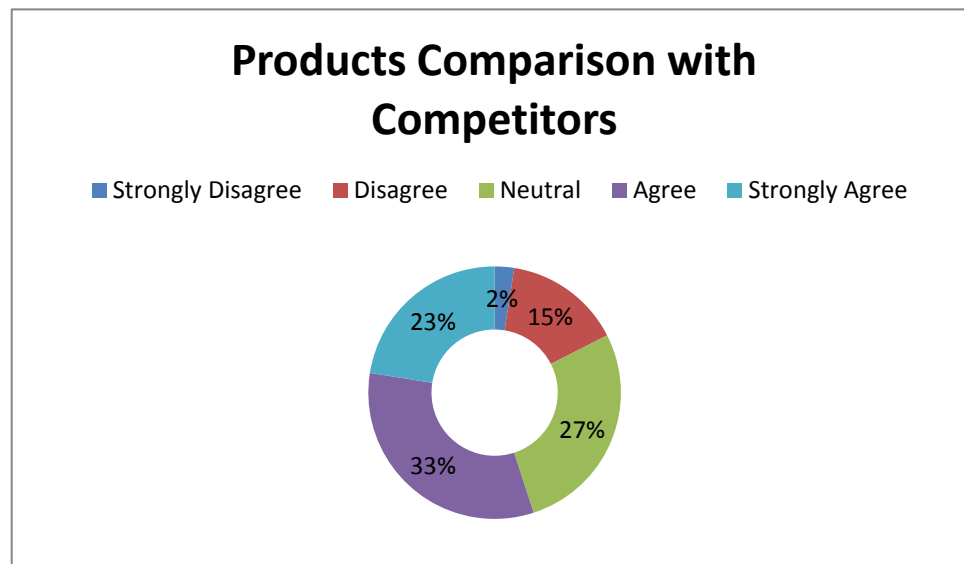


Figure 9 Products Comparison with Competitors

**Interpretation:** From the above table and chart, it shows that 33 & 23 percent respondents are respectively agree and strongly agree with The products of agent banking of Bank Asia Ltd. are more attractive comparative to others bank.

## VI. Products Satisfaction

**Statement:** You are satisfied with the products and services of agent banking of Bank Asia Ltd.

Strongly Disagree	0
Disagree	6
Neutral	19
Agree	7
Strongly Agree	8

Table 7 Products Satisfaction

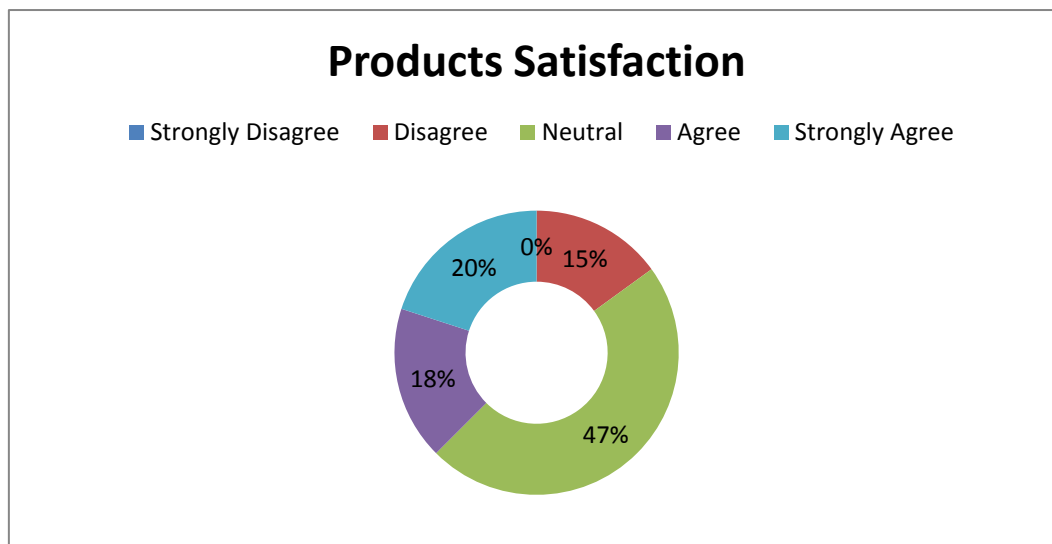


Figure 10 Products Satisfaction

**Interpretation:** From the above table and chart, we can see that 47 percent respondents are neutral to satisfaction about products which should be improved.

## VII. Service Cost

**Statement:** The cost for the services of agent banking is reasonable.

	1
Disagree	2
Neutral	16
Agree	15
Strongly Agree	6

Table 8 Service Cost

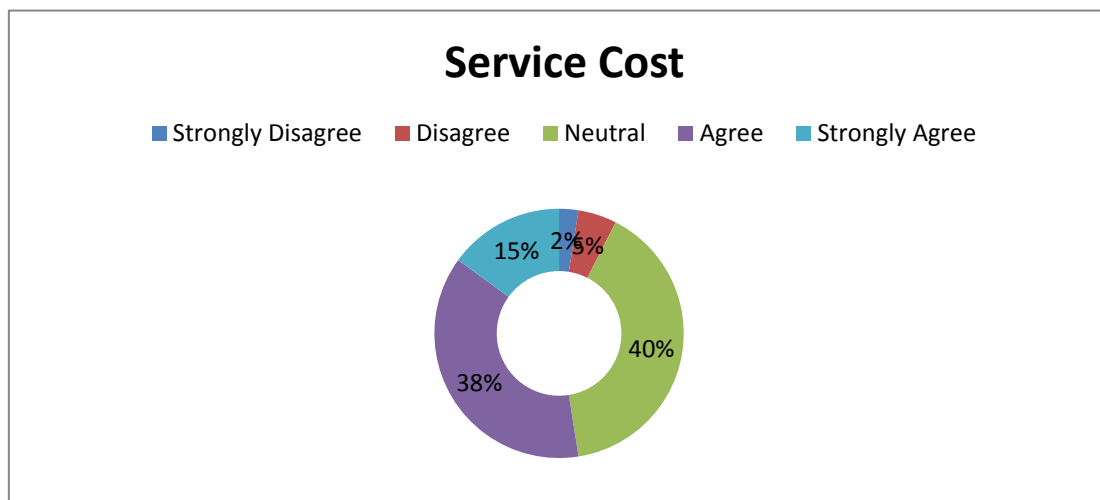


Figure 11 Service Cost

**Interpretation:** Above table and chart, it shows that most of the respondents think that the cost of the services is not reasonable.

### VIII. Cost Comparison with Competitors

Statement: The cost for the services of agent banking of Bank Asia Ltd. is lower comparative to the other competitors.

	0
Disagree	5
Neutral	15
Agree	14
Strongly Agree	6

Table 8 Cost Comparison with Competitors

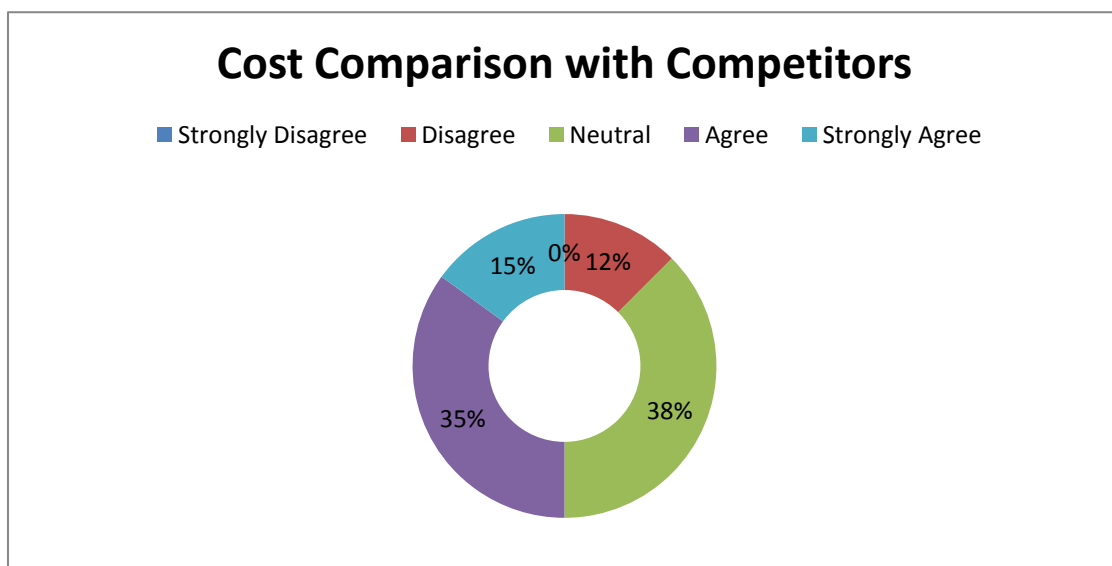


Figure 12 Cost Comparisons with Competitors

**Interpretation:** Above table and chart, it shows that most of the respondents think that the cost of services of Agent banking of Bank Asia is higher or same as others bank.

### IX. Hidden Charge

Statement: No hidden charge of agent banking of Bank Asia Ltd.

	1
Disagree	4
Neutral	14
Agree	12
Strongly Agree	9

Table 10 Hidden Charges

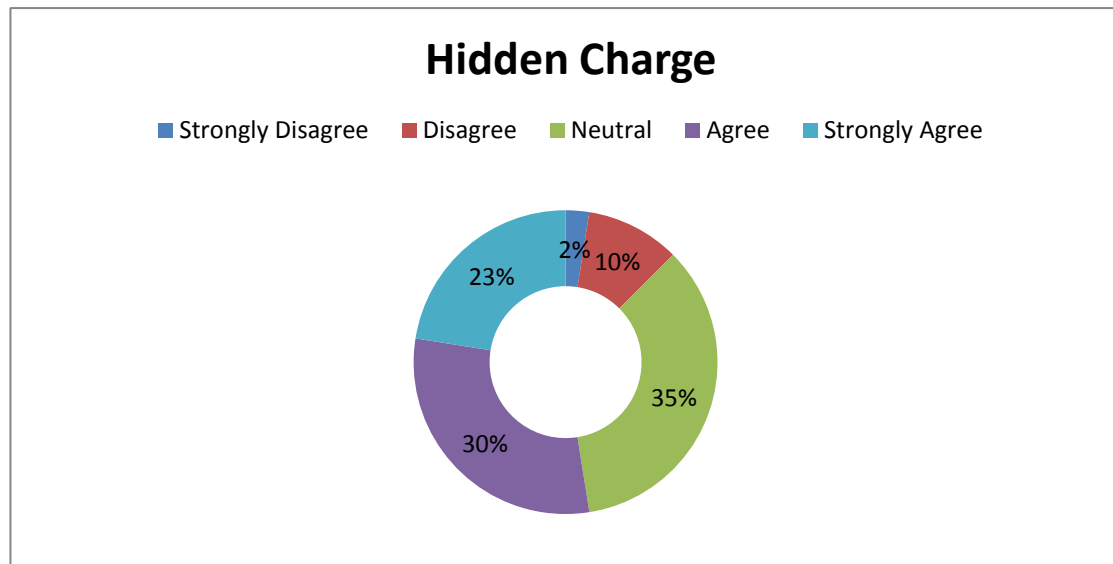


Figure 13 Hidden Charges

**Interpretation:** Above table and chart, we can see that most of the respondents think that Agent banking has no hidden charge.

## X. Proper Location

**Statement:** The agent location of the point of agent banking of Bank Asia Ltd. is in proper places.

Strongly Disagree	1
Disagree	6
Neutral	8
Agree	15
Strongly Agree	10

Table 1 Proper Location

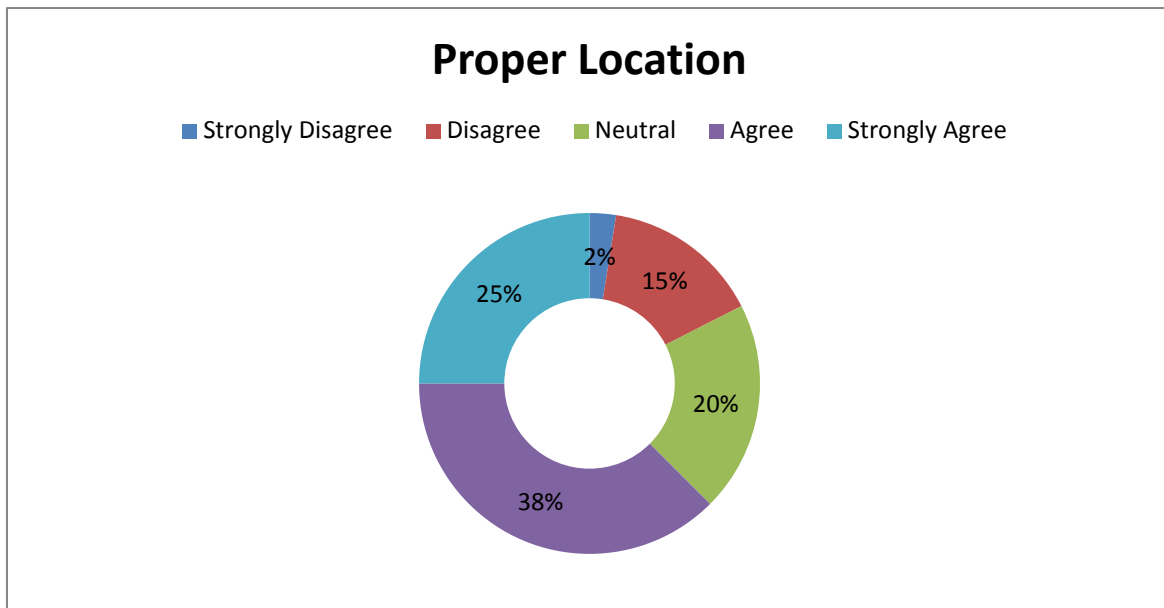


Figure 14 Proper Location

**Interpretation:** Above table and chart, it shows that Most of the respondents are thinking that the location of the agent's points is not in proper places.

## XI. Give Special Offers

Statement: Agent banking of Bank Asia Ltd. gives special offers usually.

Strongly Disagree	7
Disagree	2
Neutral	19
Agree	8
Strongly Agree	4

Table 15 Give Special Offers

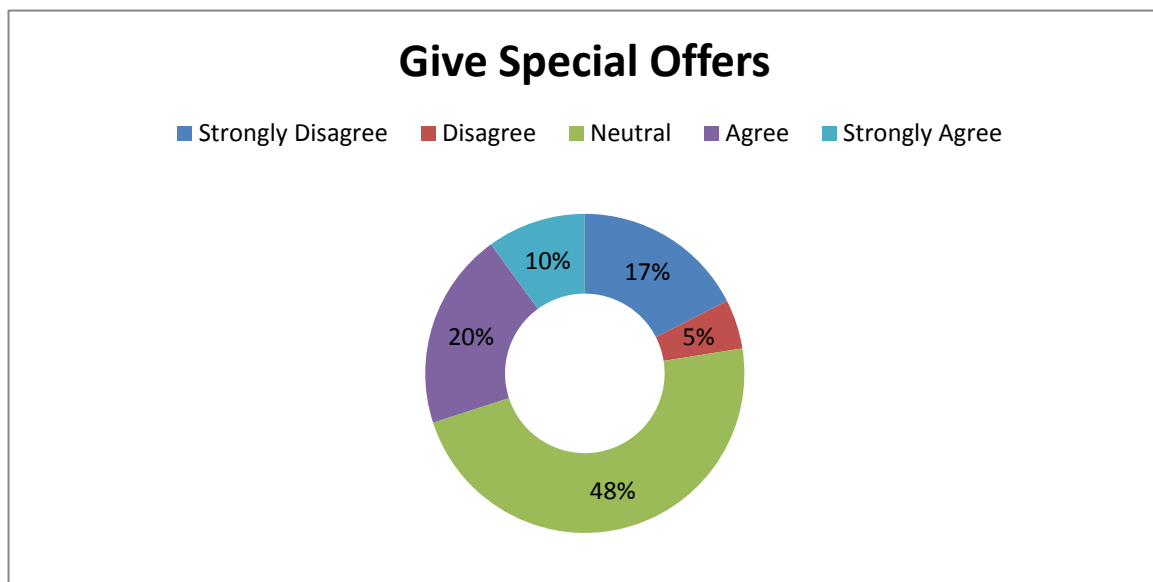


Figure 15 Give Special Offers

**Interpretation:** Above table and chart, it shows that 48 percent respondents are unaligned in this statement which means that they can't describe their position in this statement.

## XII. Promotion

**Statement:** The advertising and promotional offer of Agent banking of Bank Asia Ltd. is better than the competitors.

	7
Disagree	5
Neutral	13
Agree	11
Strongly Agree	4

Table 13 Promotion



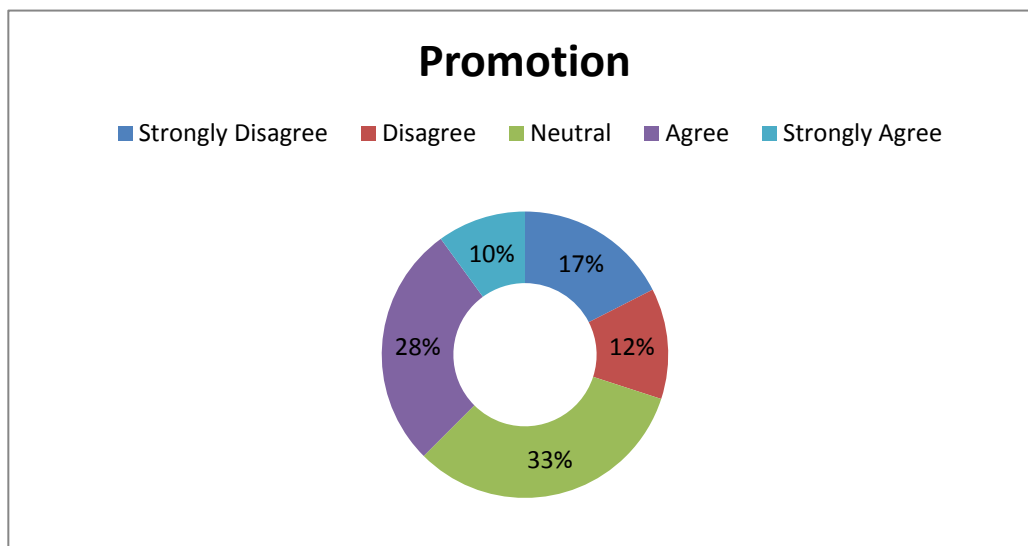


Figure 16 Promotion

Interpretation: Above table and chart, it shows that most of the respondents think that the promotion is not enough.

### XIII. Accessibility

**Statement:** The online system of Agent banking of Bank Asia Ltd. is easily accessible.

Strongly Disagree	1
Disagree	1
Neutral	13
Agree	20
Strongly Agree	5

Table 14 Accessibility

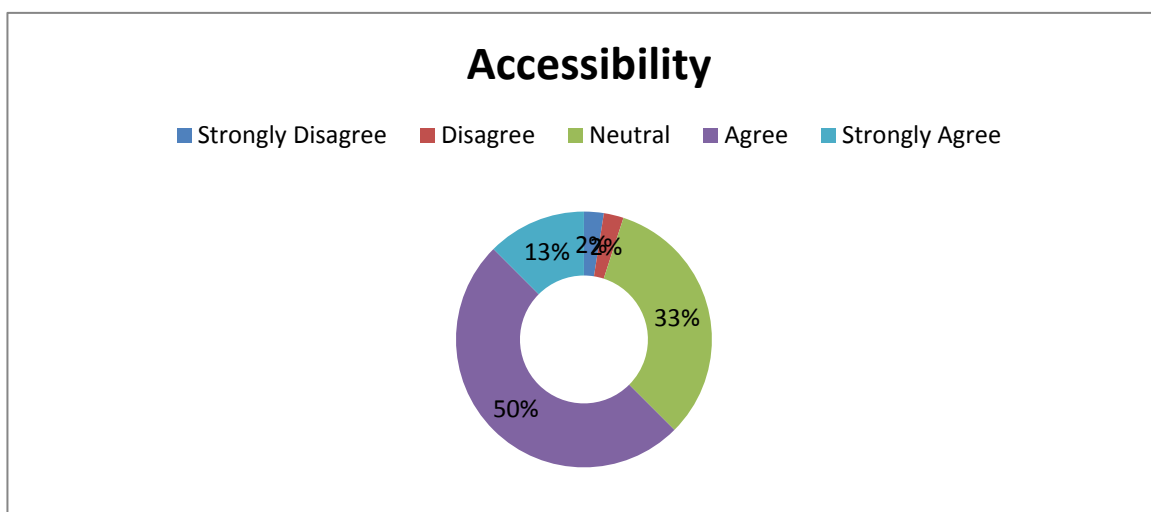


Figure 17 Accessibility

**Interpretation:** Above table and chart, it shows that most of the respondents are agree with the statement that the system is easily accessible.

#### XIV. Transection Security

**Statement:** The transaction systems of Agent banking of Bank Asia Ltd. are very much secured.

	0
Disagree	4
Neutral	8
Agree	19
Strongly Agree	9

Table 15 Transection Security

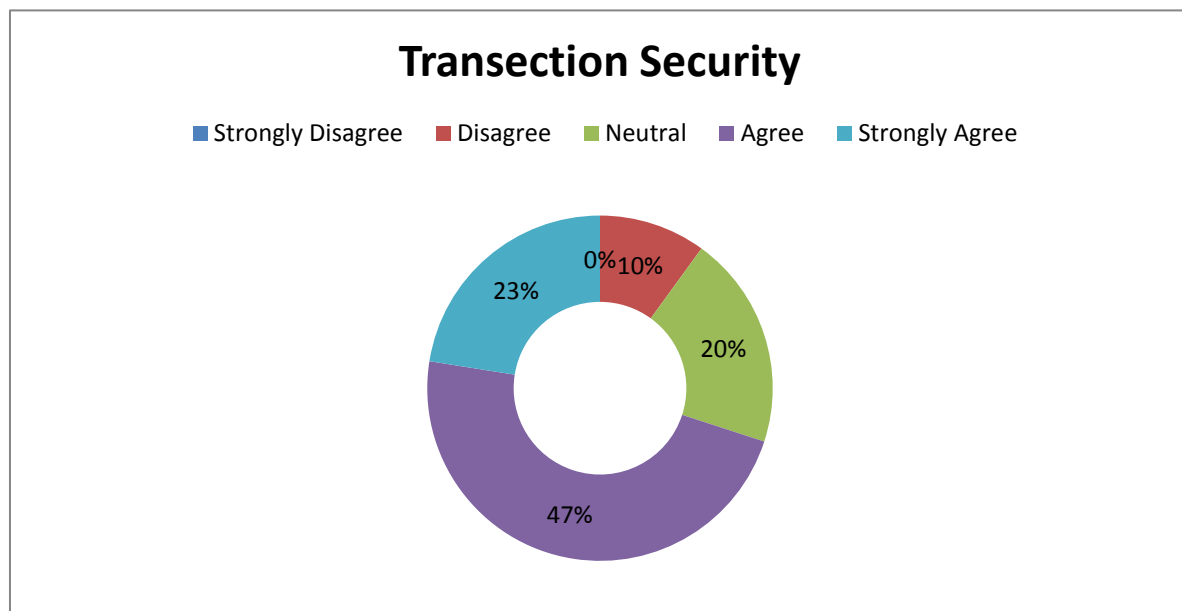


Figure 18 Transection Security

**Interpretation:** Above table and chart, it shows that most of the respondents are agree with the statement that the transaction system is very much safe against adverse.

#### XV. Brand value

**Statement:** The brand value of Agent banking of Bank Asia Ltd. is much better than the competitors.

	2
Disagree	4
Neutral	4
Agree	20
Strongly Agree	10

Table 16 Brand value

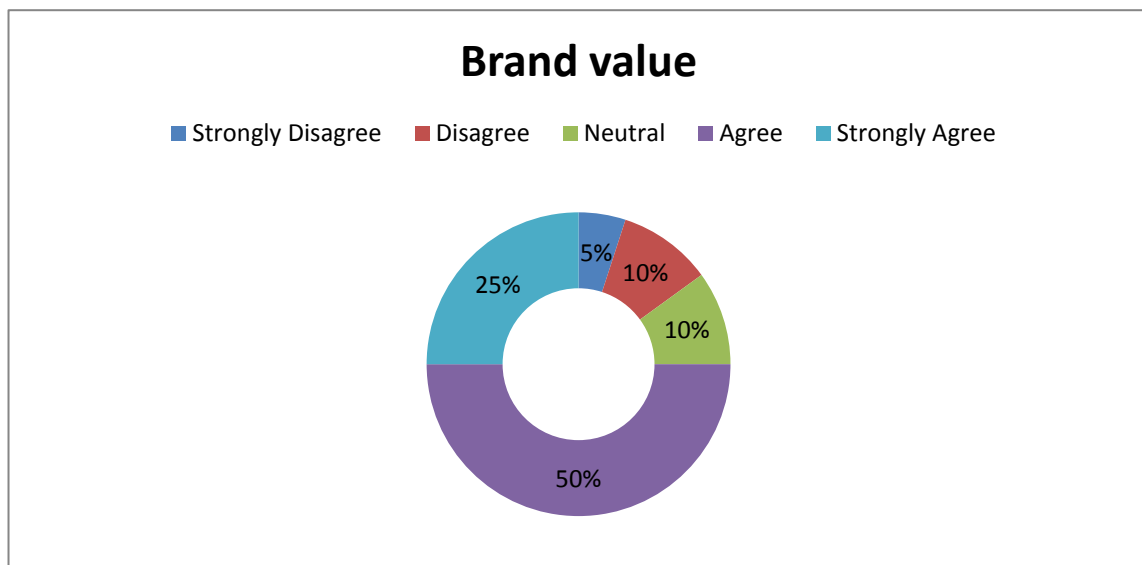


Figure 19 Brand value

**Interpretation:** Above table and chart, we can see that 50 percent of the respondents are agree with the statement that the brand value of Agent banking of Bank Asia is higher than the competitors, others oppose.

## XVI. Timely

**Statement:** The service delivery time of Agent banking of Bank Asia Ltd is very much reasonable.

Strongly Disagree	0
Disagree	3
Neutral	14
Agree	13
Strongly Agree	10

Table 17 Timely

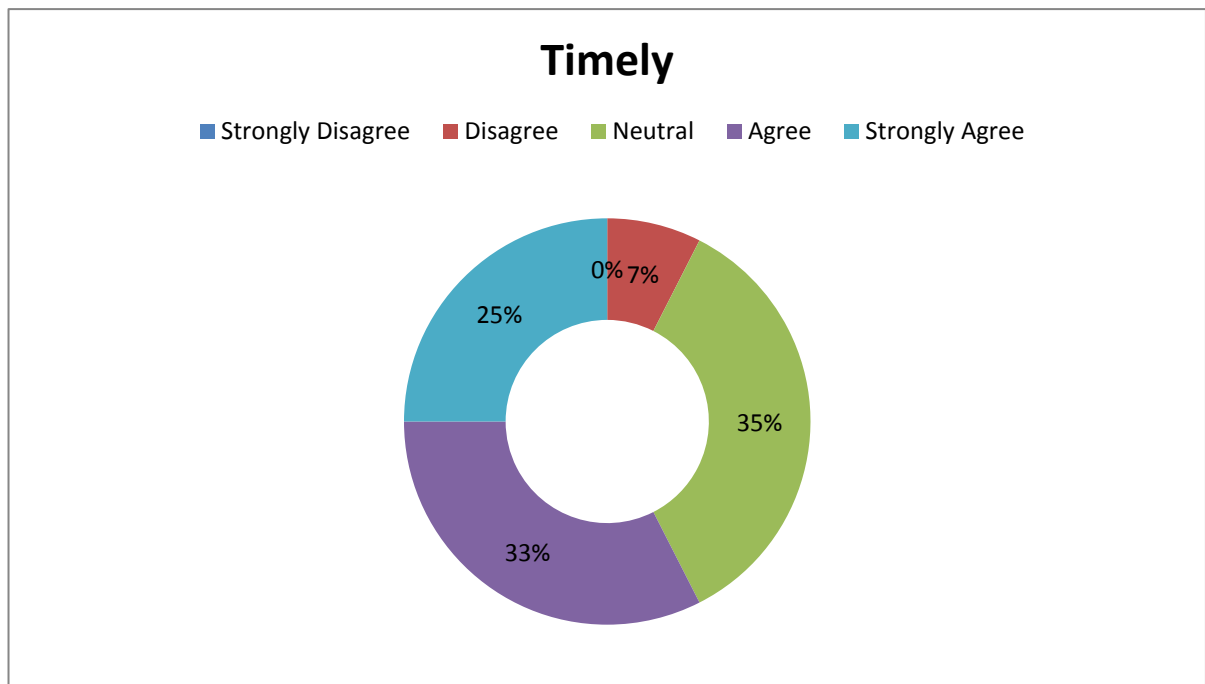


Figure 20 Timely

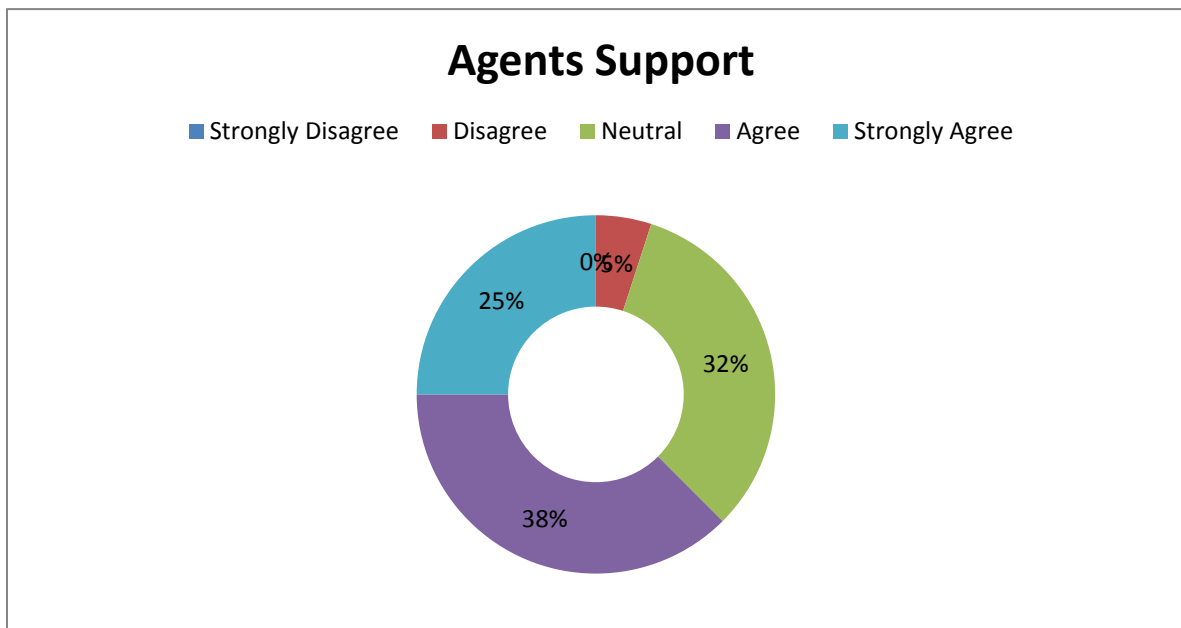
**Interpretation:** Above table and chart, we can see that 33 and 25 percent of the respondents respectively are agree and strongly agree with the statement that service delivery time is reasonable but others oppose.

## XVII. Agents Support

**Statement:** The Agent banking of Bank Asia Ltd. is very much supportive and transparent in banking transactions.

	0
Disagree	2
Neutral	13
Agree	15
Strongly Agree	10

Table 18 Agents Support



*Figure 21 Agents Support*

**Interpretation:** Above table and chart, it shows that most of the respondents think that the agents are very much supportive and transparent in their banking transaction.

## 4.5 Findings

- The majority of the agree that technology of agent banking has an impact on financial inclusion.
- Only basic financial products and services are offered through agent networks such as: account opening, hidden charges, give special offer, transaction security, timely and agent support services.
- The majority of the respondents agree that the cost of agents is low as the operational cost of agents is low. Moreover, the respondents prefer agents regardless of the cost.
- This service will make the life of the garments owners and many factory owners very serene because they can pay the wages of the workers through agent banking and show proper documentation to foreign buyers which is a mandatory regulatory requirement.
- At the same time, the government of Bangladesh is emphasizing agent banking so that they may able to serve the people in a better way than before. Government has to disburse a huge amount of funds every year to the rural population of the country for various reasons. And in most cases, the beneficiary receives a portion of the amount he or she was supposed to receive. The major portions of their earning earnings are going into the pockets of some corrupted intermediaries. Agent banking can eliminate those intermediaries by enabling the government a scope to disburse the funds too directly to the beneficiary account.
- In remotest villages they are arranging a drama or Jari gan shava on that day (Usually all the farmers bring their goods for sale on a hat to fixed market place in a fixed day of every week). As there is no scope of amusement those areas they are having a very large audience for their show. In those shows they are communicating the procedure of agent banking, its security and benefits in the form of drama. And this is working like magic, more and more people are becoming keen to make their transactions through proper financial structure.

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## Chapter 5: Conclusion and Recommendation

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## 5.1 Conclusion

Agent banking has a huge possibility in Bangladesh. Few banks are taking different initiatives to make this service popular in Bangladesh. Banks like Bank Asia, NRBC Bank, Al-Arafah Islami Bank, Dutch Bangla Bank, UCBL, Eastern Bank Limited, ONE Bank Limited, and Farmers Bank have already launched agent banking and many more are waiting to get clearance from Bangladesh Bank. This service opens the separate epoch for accessible banks and financial institutions. More and more people will use this service because of the convenience it will provide to them in their daily life. Bangladesh bank has proper guideline and policies for agent banking; now the banks have to be very vigilant employing those policies to make it the biggest triumph story. As most of the people are living in the village so it has much scope to take them into the banking system and prolong the banking business in Bangladesh. The economy of the country will also have a positive impact through this.

Bank Asia is the pioneer in agent banking in Bangladesh so it has much scope to capture the whole market in a short time. It should overcome the major problems and take the necessary steps to catch the whole market. It can succeed in this sector.

In conclusion I must say that this report is really essential for every student of business studies to get idea about Agent Banking sector of Banking in Bangladesh. By completing this report, I have got overall idea of Agent Banking sector. Bank Asia was really a good experience for me because every person of there was so much helpful. So, at last, there is a hope that the growth of Agent Banking will be high, future will be bright and it will be much popular in a very short time.



## 5.2 Recommendations

Agent Banking of Bank Asia is the pioneer of agent banking in Bangladesh. It starts agent banking program in Bangladesh with a pilot program in Munshigonj in 2014. So it is very much young according to its age. So there are many problems now.

The recommendations for them to overcome the problems in Agent Banking are as follows:

- The Transaction limit should be enriched to give banking facilities properly notably for the business persons.
- The server of the bank should be made fast, so that they activity will be quickly done.
- They should request Bangladesh bank to sit with the mobile phone operator, Ministry of ICT, and The Bangladesh Telegraph Telephone Board (BTTB) to enhance 3G mobility to the Union stage or provide broadband facility to the Union Parishad for faster data transmission.
- The bank officers should be trained properly before sending them in the workplace.
- Bank should take advertising and promotion program to reach the people quickly and services of it.
- Bank should take those as agents who are at least graduate or have completed HSC.
- As the agents who run their business in Union Parishad remain too busy with the work of Union Parishad, so they should not be taken as agents.
- In most cases the agents are not so much solvent to run the business, but it requires much capital investment. So when taking any agent bank should justify his solvency.
- The most negative thing is that the location is not in proper places. These should be in market rather than in Union Parishad because most of the time the Union Parishad is in a remote place where there is no market nearby.
- Bank should take awareness program to reach the people and communicate them about agent banking products and services.
- Bank should give special offers for their customers as well as the agents. This will increase the interest of their customers as well as the agents.
- The service as account maintenance charge, charge of deposit and withdraw in other agent branches, charge of EFTN, fund transfer etc. of banks decreased.

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