

“An analysis of deposit schemes”

A Study on the National Bank Limited

(Tongi Branch)



Daffodil
International
University



National Bank Limited
A Bank for Performance with Potential

An analysis of deposit schemes, a study on The National Bank Limited (Tongi Branch)

Submitted to
Dr. MD. Abdur Rouf
Associate Professor of
Accounting
Department of Business Administration

Submitted By:
Name: Shuktara Shaha
ID: 222-14-510
Program: MBA
Major: Finance & Banking

Date of Submission

23th June 2023

Letter of Transmittal

23th June 2023

Dr. MD. Abdur Rouf
Associate Professor of Accounting
Department of Business Administration
Daffodil International University
Birulia, Savar, Dhaka-1216.

Subject: An analysis of deposit schemes, a study on The National Bank Limited (Tongi Branch)

Dear Sir,

With due respect, I have much honor to present my internship report on “An analysis of deposit schemes, a study on The National Bank Limited (Tongi Branch)”. I am submitting the report as the report of my internship program in The National Bank Limited, Tongi Branch.

This report provides me a valuable experience about the working environment in the corporate world. The experience I have gathered during the period will remain as an invaluable asset of immense useful in my life. I have work hard to prepare this report and hope that it will fulfill my degree of MBA requirement.

I, therefore, pray and hope that you would be kind enough to accept my effort and oblige thereby.

Thank you, Sir.

Sincerely Yours,

Shuktara

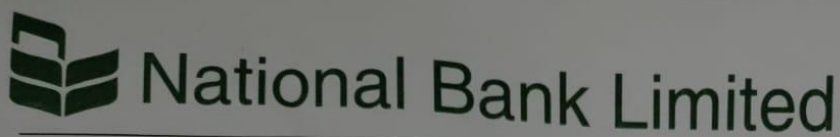
.....
Shuktara Shaha

ID: 222-14-510

Major: Finance & Banking

Program: MBA

Letter of Authorization



Tongi Branch: Haque-Asha Complex (1st Floor), Anarkali Road, Tongi Bazar, Tongi, Gazipur, Bangladesh, Tel: 02-9817381, 9817382, Fax: 02-9817497, E-mail: tongi@nblbd.com

AZ/NBL/TONGI/IN-CER/215/2023

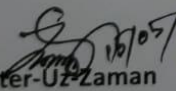
May 15, 2023

TO WHOM IT MAY CONCERN

This is to certify that, Ms. Shuktara Shaha, D/O Mr. Sapon Kumar Shaha & Mrs. Komola Rani Shaha, a student of Daffodil International University, has successfully completed 03(three) months Internship program at our National Bank Ltd., Tongi Branch, Gazipur. She has worked at different departments of our branch (i.e. account opening, local & foreign remittance, accounts, loans and advance).

During the period, she has successfully performed her duty with sincerity and devotion.

We wish her every success in life.


Md. Akhter-Uz-Zaman
Vice President and Manager



Student Declaration

I am declaring this report on “An analysis on deposit schemes, of The National Bank Limited Tongi Branch” has solely been prepared by me and to the best of my knowledge, which I have gathered during my internship time. It contains no materials previously published or written by any other person which have been accepted for the degree at the educational institution of the Daffodil International University. The information which I have collected from different sources those have given proper acknowledgement in the references and appendix portion.

The report has only been prepared for the fulfillment of the internship requirement for the degree of Masters of Business Administration (MBA) for the educational institute of **Daffodil International University (DIU)**.

It has not been prepared for any other purpose, reward or presentation.

Yours truly



Shuktara Shaha

ID: 222-14-510

Major: Finance & Banking

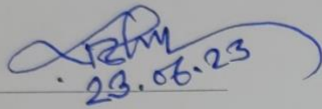
Program: MBA

Supervisor Declaration

Approval of Internship Report

This is to notify you that Shuktara Shaha, ID No: 222-14-510, has prepared this internship report entitled "An Analysis of Deposit Scheme: A Study on National Bank Ltd., Tongi Branch" Under my guidance, I hereby approve this internship report. This is to partially fulfill an MBA degree in major Finance under the Department of Business Administration of Daffodil International University.

I wish her every moral success in life.



Dr. Md. Abdur Rouf

Associate Professor & Director of MBA
Department of Business Administration
Daffodil International University

Contents

| | |
|---|-----------|
| An analysis of deposit schemes, a study on The National Bank Limited (Tongi Branch) | i |
| Letter of Transmittal | ii |
| Letter of Authorization..... | iii |
| Student Declaration | iv |
| Supervisor Declaration..... | v |
| Executive Summery | ix |
| 1. Introduction of the report | 2 |
| 1.1 Background of the study..... | 3 |
| 1.1.2 Objective of the report Broad objective..... | 3 |
| Specific objective | 3 |
| 1.2 Scope of the research: | 3 |
| 1.3 Significance of research: | 3 |
| 2.5 Background of the organization | 5 |
| 2.5 Vision | 5 |
| 2.5 Mission..... | 5 |
| 2.4 Products & Services | 6 |
| Table: 02(Sonar Bangla Deposit Scheme)..... | 6 |
| Table: 03 Century deposit schemes | 7 |
| 2.4.2 Shadhinota | 7 |
| Table: 04 (Shadhinota Deposit Scheme)..... | 8 |
| 2.4.3 Fixed Deposit..... | 8 |
| Table: 05(Fixed Deposit)..... | 8 |
| 2.5 Five years Financial Performance Analysis of the National Bank Limited | 9 |
| 2.5.2 Net Interest Margin | 10 |
| 2.5.3 Earnings per Share | 11 |
| Interpretation: | 11 |
| 2.5.4 Return on Equity:..... | 12 |
| Interpretation:..... | 12 |
| 2.5.6 Return on Asset: | 13 |

| | |
|---|-----------|
| Return on Asset | 13 |
| 3.1 Background of the problem:..... | 15 |
| 3.1.1 Problem statement: | 15 |
| 3.1.2 Objective of the research: | 15 |
| 3.1.2.1 Broad objective | 15 |
| 3.1.2.2 Specific objective: | 15 |
| 3.2 Research Methodology | 16 |
| 3.2.2 Type of Research | 16 |
| 3.2.3 Methods of Data Collection..... | 16 |
| 3.2.4 Primary Sources | 16 |
| 3.2.5 Secondary Sources..... | 16 |
| 3.3 Population and Sampling Method | 17 |
| 3.3.2 Sampling Method | 17 |
| 3.3.3 Sample Size | 17 |
| 3.4 Hypothesis Development | 18 |
| 3.5 Hypothesis Scale | 19 |
| 3.6 Data Analysis | 20 |
| 3.7 Hypothesis Testing..... | 20 |
| Table No: 11 (Hypothesis Testing)..... | 21 |
| Calculation and Interpretation..... | 22 |
| 3.7.1 Test of hypothesis 01 | 22 |
| H0: $\mu = 3$..... | 22 |
| Step 05: Critical Value | 22 |
| Step 06: Interpretation..... | 23 |
| Step 07: Graphical Representation..... | 23 |
| 3.7.2 Test of hypothesis 02 | 24 |
| H0: $\mu = 3$..... | 24 |
| Step 05: | 24 |
| Step 06: | 24 |
| Step 07: Graphical Representation..... | 25 |
| 3.7.3 Test of Hypothesis 03 | 25 |

| | | |
|-------|--|-----------|
| | H0: $\mu = 3$ | 25 |
| | Step 05: | 26 |
| | Step 06: | 26 |
| | Step 07: | 26 |
| 3.7.4 | Test of hypothesis 04 | 27 |
| | H0: $\mu = 3$ | 27 |
| | Step 05: | 27 |
| | Step 06: | 28 |
| | Step 07: Graphical Representation | 28 |
| 3.7.5 | Test of hypothesis 05 | 29 |
| | H0: $\mu = 3$ | 29 |
| | Step 05: | 29 |
| | Step 06: | 29 |
| | Step 07: Graphical Representation | 30 |
| 3.7.6 | Test of hypothesis 06 | 30 |
| | H0: $\mu = 3$ | 30 |
| | Step 05: | 31 |
| | Step 06: | 31 |
| | Step 07: Graphical Representation | 32 |
| 3.8 | Findings | 33 |
| | Recommendation | 34 |
| | Conclusion | 36 |
| | References | 37 |
| | Appendix Questionnaire for the survey (on Deposit schemes) | 38 |

Executive Summery

The National Bank Limited is one of the leading corporate banks in Bangladesh. This is also the 1st commercial bank in Bangladesh. This bank creates a lot of ways to use the money in a right place at the right time. From that, this bank also gives good profits to their customers by providing different products and services. I got an opportunity to do an internship there for the completion of my MBA degree.

For the completion of the MBA degree, I have to submit a report based on my internship activities. To fulfill the requirements, I prepared a report with the practical knowledge I got while doing my internship on The National Bank Limited, Tongi Branch, about the topic of **“An Analysis of Deposit Schemes, A Study on The National Bank Limited (Tongi Branch)”**.

In this report, here 5 different chapters are present and it's mainly prepared based on the practical knowledge during my internship period and by observing different activities. I prepared objectives, problem statement, selecting research methodology, population, and sample size, developed a hypothesis, test the hypothesis.

Here also have the activities that I did in the internship organization. Here also have valuable recommendations from the findings of hypothesis about the report topic **“An Analysis of Deposit Schemes, A Study on the National Bank Limited (Tongi Branch)”** for that what activities The National Bank Limited (Tongi Branch) need to follow increase their deposit amount.

Chapter 01

Introduction

1. Introduction of the report

With the completion of MBA degree, it's mandatory to do 03 months internship in an organization. So, for that, I also need to follow the same procedure for the completion of my MBA degree. I have got an opportunity to do my internship in The National Bank Limited, Tongi Branch from 15th March 2023 to 15th May 2023.

I was treated there as an employee of this bank and for that all the rules and regulations were same the other bank officials. Though I was appointed as an intern but I had to follow the proper office decorum and office hour as other bank officials followed.

During this three months of internship, I have worked and learned many things from the respected bank officials of The National Bank Limited, Tongi Branch. I have worked in the general banking division in the customer service department. Most of the time, I was dealing with deposit scheme related factors and working with that, I chose my topic, "An analysis of deposit schemes, a study on The National Bank Limited (Tongi Branch). I did different tasks in this area while a customer came to know about deposit schemes and after taking it. I do believe that this experience will surely help me in my future professional career.

During this three months journey as an intern of The National Bank Limited, Tongi Branch, I was supervised by MR.Monzur Alam (First Executive Officer) of The National Bank Limited Tongi Branch. He is really such a nice, humble and kind person. He helps me a lot in various aspects of these limitations. He always tried to deliver me different knowledge about corporate works, banking works and about life as well. He also helped me by giving different kinds of knowledge in deposit schemes that really was a great help from me to make this report. I am very much grateful to him because the way he supervised me that was always in the right way. I can fulfil all the tasks and understand each and everything in an appropriate manner.

1.1 Background of the study

Deposits are important to banks as funding but also to maintain relationship by having a complete and competitive offer. I have worked in various department of National Bank Limited, Tongi Branch. In this report, I will try to make an overall analysis on all activities of National Bank limited specially focuses on deposit analysis.

1.1.2 Objective of the report

Broad objective

The objective of this report is too full feel the requirement of the successful completion of the MBA degree.

Specific objective

- To identify the reasons regarding decrease the number of deposit accounts.
- To analyze observed problem in the research part by developing problems statement and hypothesis.
- To provide recommendations for the problem found through the research.

1.2 Scope of the research:

This report covered the overall deposit system of National Bank Limited and included the relationship of the customers with the bank and the deposit principles covered by the bank as a general banking system.

1.3 Significance of research:

The collection of the deposit is an important sector of any Bank. This study helps me to know the function of various types of deposit and the ways bank collects its deposit from their clients. The authority of National Bank Limited can use this report for decision making. This study assists to observe the present problem and also help them to take the necessary initiative for further development and improvement for ensuring its service to the customer.

Chapter 02

Organizational part

2.5 Background of the organization

The history of the National Bank is a golden stair of the history of the emergence of private banks in Bangladesh. National Bank Limited is the first and major private sector commercial bank in Bangladesh fully owned by Bangladeshi entrepreneurs. The bank started its operation on 23rd March 1983. As a result of the collective effects of some eminent bankers, a failure in playing due to role in mobilizing small savings of the teeming millions and providing improved clients services to them in our country, the government gave right decision to allow establishing banks private sector. National Bank Limited was born as the first hundred percent Bangladeshi owned Bank in the private sector. From the very inception, it is the firm determination of National Bank Limited to play a vital role in the national economy. They are determined to bring Bank the long-forgotten taste of banking services and flavors. NBL, I want to serve each one promptly and with a sense of dedication and dignity.

NBL has been the pioneer in promoting readymade garment industries and still is the single largest financier in this sector. In the early 80's when the garment industry in Bangladesh was experiencing progress of the trial, the bank foresight the bright prospect of the sector and extended finance to the deserving and promising entrepreneurs. It provided them with financial support, including market information and advice and today, the government sector constitutes about 66% of the total export of the country.

2.5 Vision

Ensuring the highest standard of clientele services through the best application of the latest information technology, making due contribution to the national economy and establishing ourselves firmly at home and abroad as a front-ranking bank.

2.5 Mission

- Offer a wide array of products and services that differentiate and excite all customer segments.
- Be the "Employer of choice" by offering an environment where people excel, and leaders are created.
- Continuously challenge processes and platforms to enhance effectiveness and efficiency
- Promote innovation and automation with a view to guaranteeing and enhancing excellence in service
- Ensure respect for community, good governance and compliance in everything we do

2.4 Products & Services

2.4.1 Deposit schemes Sonar Bangla

A unique offer from National Bank. Sonar Bangla is an exceptional DPS product that is distinctly more attractive than the prevalent DPS products in the market. You receive a sum at the end of the term against your monthly deposit of small instalments. It's a perfect way to secure your financial future.

Table: 02(Sonar Bangla Deposit Scheme)

| | Sonar Bangla Schemes |
|----------------------|---|
| Benefits | <ul style="list-style-type: none">• Here, the Minimum deposit: 50,000tk.• Maximum: infinity.• Maturity time:45 days |
| Interest Rate | <ul style="list-style-type: none">• Interest rate:7.50%• If you TIN then tax cost 10%• If you don't have TIN then tax cost 15%. |

[Source: National Bank Limited]

Table: 03 Century deposit schemes

| | Century deposit schemes |
|----------------------|--|
| Benefits | <ul style="list-style-type: none">• Here, Minimum deposit:50,000tk• Maximum deposit: infinity• Maturity time :100 days |
| Interest Rate | <ul style="list-style-type: none">• Interest rate :7.25% |

[Source: National Bank Limited]

2.4.2 Shadhinota

Financial safety for your future generations is backed by complete immense protection.

Shadhinota is a unique monthly deposit scheme that you open for your kids to safeguard their future against all uncertainties and risks. As a guardian of the child, you can open this account which builds great & unmatched savings for you over the years. By the time your child is past his or her school age, there is this sufficient cash in your hand to take care of his / her higher education, marriage or other such large expenses.

Table: 04 (Shadhinota Deposit Scheme)

| Shadhinota Deposit Scheme | |
|----------------------------------|---|
| Benefits | <ul style="list-style-type: none"> • Here, Minimum deposit: 50,000 tk • Maximum deposit: infinity |
| Interest Rate | <ul style="list-style-type: none"> • Maturity time :2 years • Interest rate :7.20% |

[Source: National Bank Limited]

2.4.3 Fixed Deposit

If you believe in long-term investments and wish to earn higher interests on your savings, now is the time to invest your money in our Fixed Deposit.

Table: 05(Fixed Deposit)

| | Fixed deposit |
|----------------------|--|
| Interest Rate | <ul style="list-style-type: none"> • 1(one)month5.50% • 3(Three)months5.50% • 4-6(Six) months 6.00% • 7-12 (One) year6.00% • 02(Two)7.20% |
| Eligibility | Atleast12Years |

Nationality

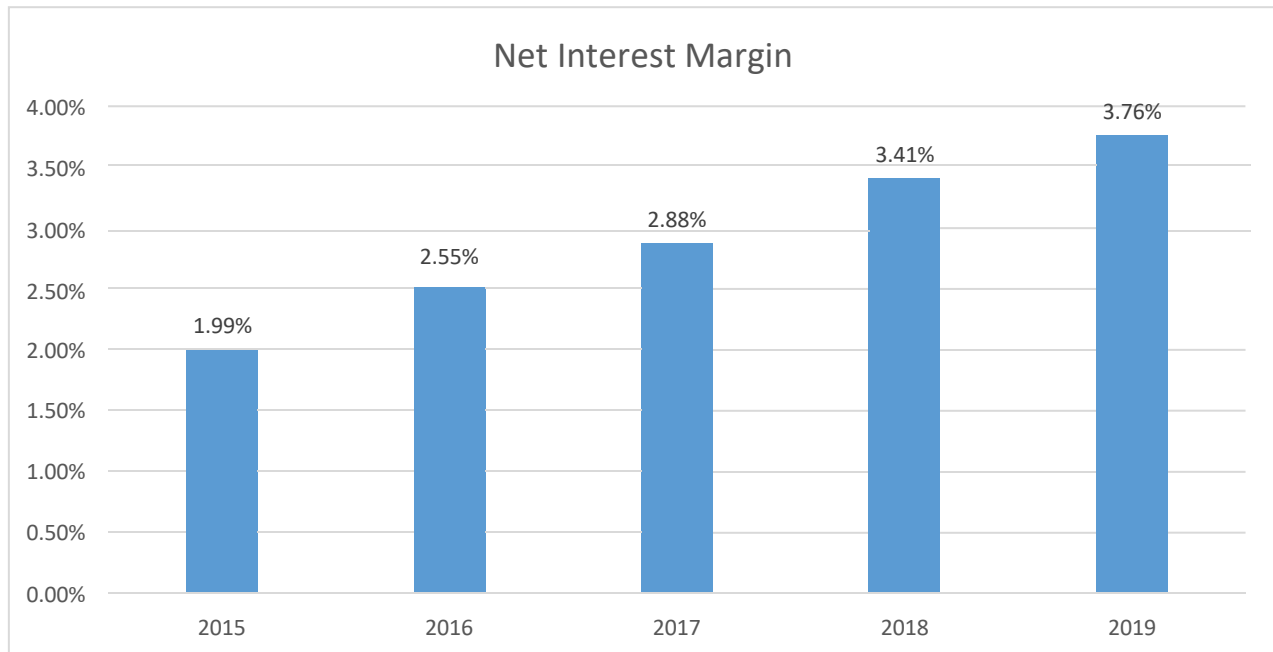
Bangladeshi

2.5 Five years Financial Performance Analysis of the National Bank Limited

2.5.1 Financial Ratios:

| Particulars | 2015 | 2016 | 2017 | 2018 | 2019 |
|---------------------|-------|-------|-------|-------|-------|
| Net Interest Margin | 1.99% | 2.55% | 2.88% | 3.41% | 3.76% |
| Earnings Per Share | 4.1 | 4.5 | 4.1 | 2.1 | 2.4 |
| Return on Equity | 18.3% | 19.0% | 15.9% | 8.2% | 9.9% |
| Return on Asset | 1.9% | 1.7% | 1.4% | 0.7% | 0.7% |

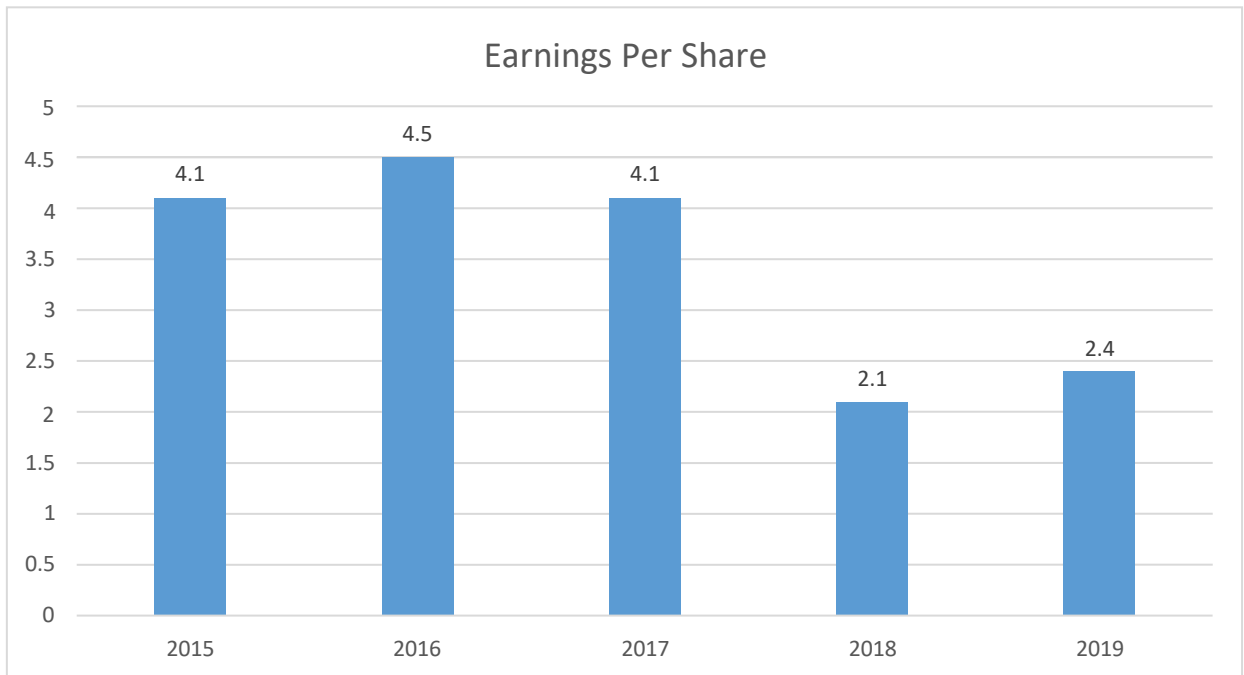
2.5.2 Net Interest Margin



Interpretation

In this graph we can see that Net Interest Margin of National Bank Limited is increasing per year that is a good sign for them. Net interest income of National Bank is increasing per year so that net interest margin is also increasing

2.5.3 Earnings per Share

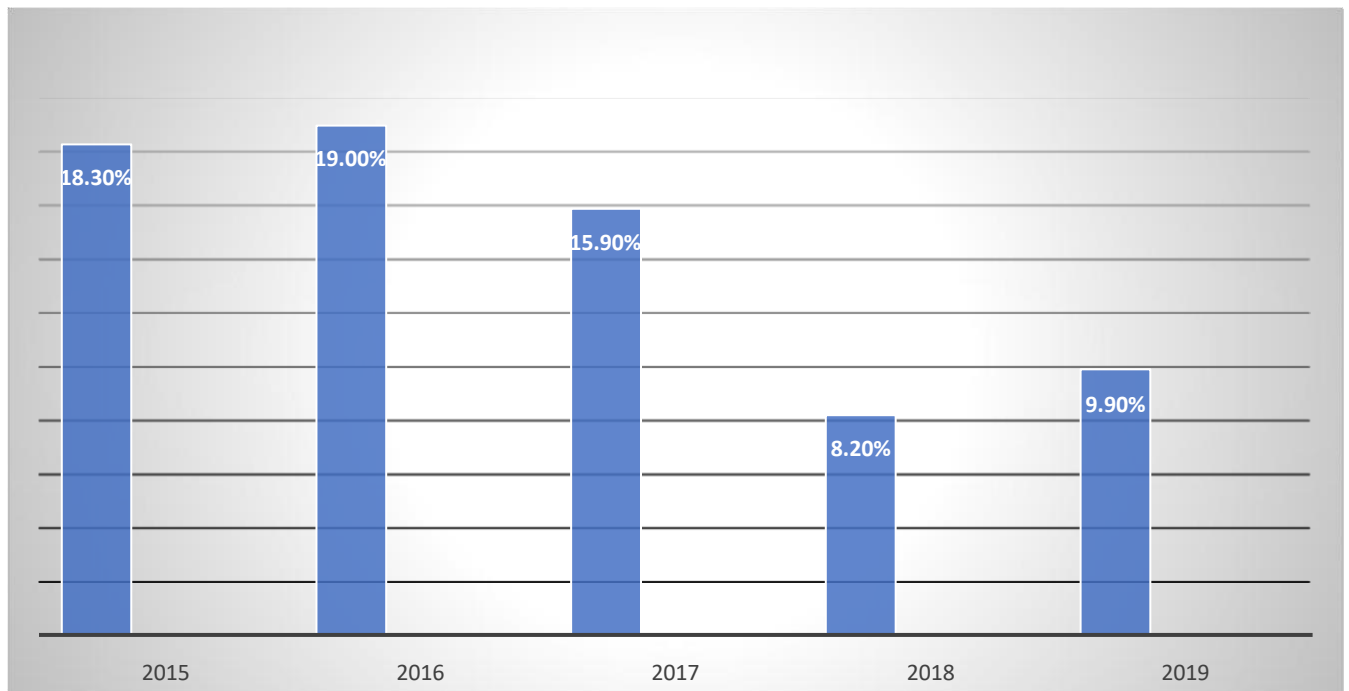


Interpretation:

In earnings per share of The National Bank Limited was 4.1 in 2015 and 2016. It was increased to 4.5. In 2017 earnings per share decreased to 4.1. In 2018 earnings per share of The National Bank Limited has also been decreased to 2.1 and in 2019, earnings per share increased to 2.4.

2.5.4 Return on Equity:

Return on Equity

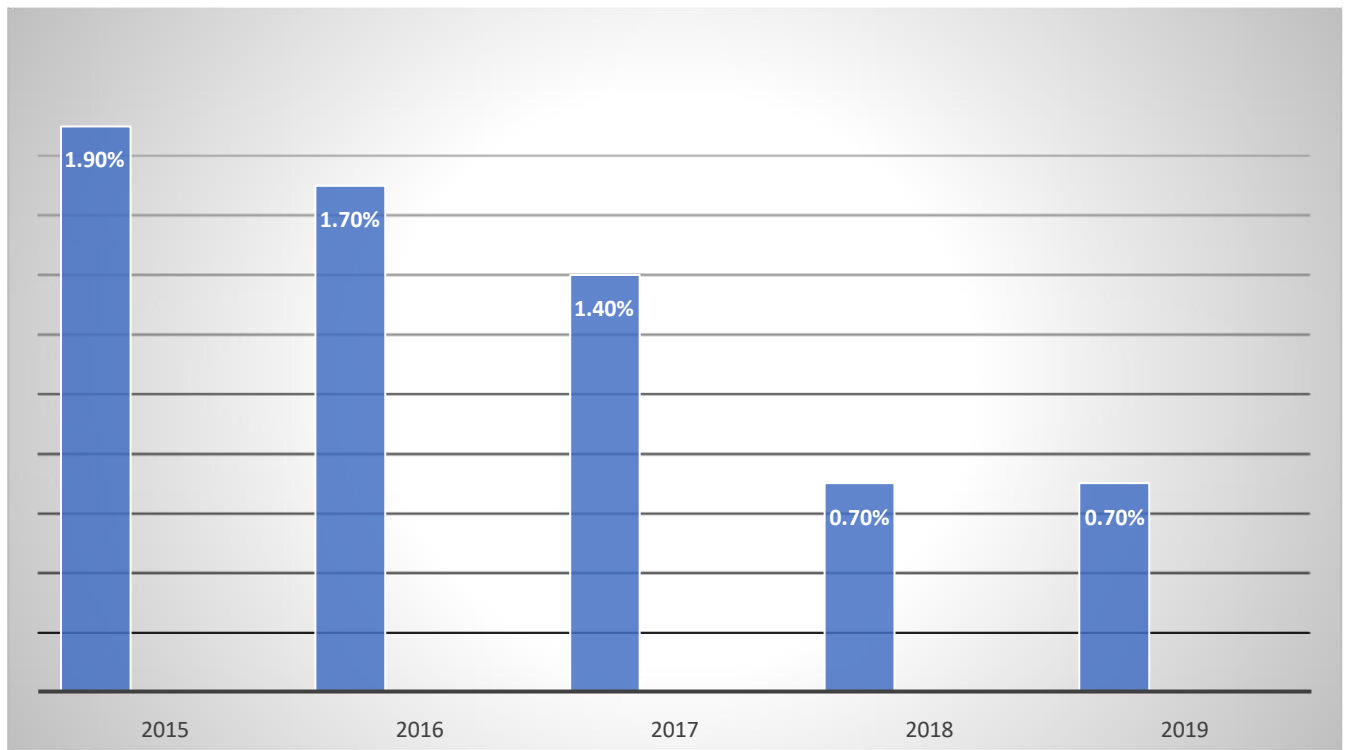


Interpretation:

ROE is a very popular ratio towards the shareholders of any Bank. The higher percentage is, the better for the bank as well as for shareholders. This figure shows that, in the year 2015, the ROE of the National Bank Limited was 18.3%, followed by an increase of 19.0% in 2016. After that, it has been decreased in 2017 & 2018 by 15.9% & 8.2%, and in the year 2019, it has been decreased by 9.9%.

2.5.6 Return on Asset:

Return on Asset



Interpretation:

Return on asset indicates the earnings were generated from invested capital (assets). This figure shows that, in the year 2015, the return on investment of The National Bank Limited was 1.9%; after that, it has decreased to 1.7% & then decreased significantly in the year 2017, 2018 & 2019 respectively by 1.4%, 0.7% &

Chapter 03

Research Part

3.1 Background of the problem:

All we know very well that, deposits are the backbone of a bank. When I was working as an intern, I observed some issues because of which National Bank Limited (Tongi Branch) is losing their customers. From my experience following issues are the main reasons behind declining number of customers. From that point of view, the National Bank Limited Tongi Branch office has different types of deposit schemes but for some valuable reasons they are losing their customers.

1. The interest rate on the deposit plan of the National Bank Limited, Tongi Branch does not attract the customer to deposit their money. Probashi Shwapno attracts but now it also goes down ward due to interest rate.
2. After taking deposit scheme policy from the National Bank Limited, Tongi Branch customers are not getting instant feedback and confirmation. Because customers are always want fast and effective service.
3. Another point I just found that without having any account in the National Bank Limited, Tongi Branch no one can able to take deposit scheme policy from the bank. If any customer wants to take a deposit scheme from the National Bank Limited, Tongi Branch but that customer does not want to open an account to the bank, that time customer won't get any chance to take the deposit scheme policy.
4. Lastly, I want to say that about the deposit scheme encashment process. After the maturity of a particular deposit scheme, it just take a bit long time and customer get anxious for their money. Immediate actions processes need to establish from the branch but they have no scope.

3.1.1 Problem statement:

To identify what is the cause behind the number of deposit accounts decrease in National Bank Limited, Tongi Branch. The present business is losing deposit accounts and the management wants to know the main reasons behind it. This study or research Will try to test the issues and also recommend some solutions that the branch able to manage the required deposits.

3.1.2 Objective of the research:

3.1.2.1 Broad objective

Objective means main idea of the research. Here, the broad objective is to know about different deposit scheme of the National Bank Limited, Tongi Branch based on their interest rate, scheme opening time, maturity date, banking facilities and services focusing on the Tongi Branch.

3.1.2.2 Specific objective:

- To find out the deposit schemes of National Bank Limited in Tongi Branch
- To analyze various types of deposit schemes of the National Bank Limited in Tongi Branch.
- To find out the present position of deposit schemes of this branch
- To know the customer opinion about their scheme in National Bank Limited.
- To give recommendations based on maximizing the gap of this research.

3.2 Research Methodology

3.2.1 Research Approach

Usually, to be conducting any research, there are mainly three types of research approaches, and those are qualitative approach, quantitative approach and mixed methods. I have used a quantitative approach for my research.

The study is mainly based on respondents` opinions that have been generated from survey questionnaires to my internship organization employees and deposit scheme holders of The National Bank Ltd., Tongi Branch. I have to reach a conclusion on the basis of the respondents` opinions and necessary calculations by using different statistical tools.

3.2.2 Type of Research

This is a descriptive type of research because this research is conducted with describing problems and its solutions. In this study, a particular problem is described.

3.2.3 Methods of Data Collection

In this case, data sources are to be identified and collected to perform the study. Most of the relevant information has been collected from secondary sources and primary sources based on interviews, and survey questionnaires

3.2.4 Primary Sources

The primary data source has been collected from the face-to-face conversation with the branch manager, customer service manager, customer service officers, executives, and a short interview with the account holders, bank clients, and some data has been collected through the questionnaire.

3.2.5 Secondary Sources

- Official Website of The National Bank Limited
- Annual Reports of The National Bank Limited
- Operation manual and circular on Savings Deposit Scheme
- Bangladesh bank website as well as related different other websites

3.3 Population and Sampling Method

3.3.1 Population

The bank officials of different departments from The National Bank Limited, Tongi Branch and their general clients, borrowers, and account holders are considered as the population for this research. Moreover, we know that a population is a large number that refers to make the total set of observations, and it's denoted by "N".

So, here the target population of this research is 500 deposit scheme holders of The National Bank Limited, Tongi Branch, from the date of 15th March 2023 to 15th May 2023.

3.3.2 Sampling Method

Convenience Sampling. A convenience sample is a type of non-probability sampling method where the sample is taken from a group of people easy to contact or to reach.

3.3.3 Sample Size

Unlike probability sampling, which has a unified framework for sampling and making inferences to a population, no single framework encompasses all forms of non-probability sampling. Therefore, no method or formula is used to determine the sample size for this study. Hence, 500 - target population, 35 respondents (customer and officials) are selected using convenience sampling method.

3.4 Hypothesis Development

| |
|---|
| 1. H_A : The National Bank Limited, Tongi Branch offer attractive deposit schemes with very good interest rate. |
| H₀ : The National Bank Limited, Tongi Branch does not offer attractive deposit schemes with very good interest rates. |
| 2. H_A : Only existing customers are able to take any deposit scheme from The National Bank Limited, Tongi Branch. |
| H₀ : Without an account in The National Bank Limited, Tongi Branch, no one can able to take any deposit scheme from there. |
| 3. H_A : Bank officials provide excellent service. |
| H₀ : Bank officials do not provide excellent service. |
| 4. H_A : Sonar Bangla is the most effective deposit scheme among other deposit schemes to the customers due to its high interest rate. |
| H₀ : Sonar Bangla is not an effective deposit scheme among other deposit schemes to the customers due to its high interest rate. |
| 5. H_A : The branch offers adequate schemes to meet the needs of all classes of customers. |
| H₀ : The branch does not offer adequate schemes to meet the needs of all classes of customers |
| 6. H_A : At the time of maturity of any deposit scheme, the encashment process takes instantly from The National Bank Limited, Tongi Branch. |
| H₀ : At the time of maturity of any deposit scheme, the encashment process takes time 3/4 days instead of same day |

3.5 Hypothesis Scale

In order to analyse the data, a 5 point Likert scale has been used. Here 1 stand for strongly disagree, 2 stands for only disagree, 3 stands for neither agree nor disagree that's neutral, 4 stands for agree, and finally 5 stands for strongly agree. The scale has been given below:

| Respondents Opinion | Weight |
|----------------------------|---------------|
| Strongly Disagree | 1 |
| Disagree | 2 |
| Neutral | 3 |
| Agree | 4 |
| Strongly Agree | 5 |

3.6 Data Analysis

- **Result Findings:** MS Excel

For analysis of data Microsoft Word, Microsoft Excel, different tables, graphs and charts were used to make the data more clear and visible.

- **Hypothesis Test:** Z test

Hypotheses were testing to derive a meaningful conclusion from the empirical data. In addition, basic statistical techniques of different measures of central tendency have been used for analyzing the data. As my sample size is more than 30, I have used the Z test for the study.

The following formula has been followed,

Where,

\bar{X} = Average & n = Sample size

S= Standard deviation & μ = Mean value

After collecting all the data, I had analyzed all the data individually. I present the data through graphs, charts, tables etc. Based on my analysis, I made findings, recommendations, and a conclusion.

3.7 Hypothesis Testing

In order to analysis the data, a 5 point Liker scale has been used. 1 stand for strongly disagreed customers, 2 stands for only disagreed customers, 3 stands for the neural customers, 4 stands for agreed customers, and 5 stands for strongly agreed customers.

Table No: 11 (Hypothesis Testing)

| Likert Scale | H ₁ | H ₂ | H ₃ | H ₄ | H ₅ | H ₆ |
|-----------------------|----------------|----------------|----------------|----------------|----------------|----------------|
| 1 = Strongly Disagree | 7 | 12 | 03 | 3 | 01 | 05 |
| 2 = Disagree | 17 | 11 | 12 | 4 | 03 | 12 |
| 3 = Neutral | 03 | 06 | 10 | 07 | 03 | 05 |
| 4 = Agree | 05 | 05 | 14 | 18 | 18 | 10 |
| 5 = Strongly Agree | 03 | 01 | 03 | 03 | 10 | 03 |
| Total | 85 | 77 | 128 | 119 | 138 | 99 |
| Average | 2.42 | 2.2 | 3.65 | 3.4 | 3.94 | 2.82 |
| Standard Deviation | 1.20 | 1.14 | 1.19 | 1.07 | 0.98 | 1.23 |
| Z-test value | -2.9 | -4.21 | 3.25 | 2.35 | 5.8 | -0.9 |

[Source: Primary]

Here,

Total = Number of respondents × weight

Average $\bar{X} = (\text{Total} \div n)$

Standard Deviation (s) = $\sqrt{\text{Variance (s}^2)}$

$$Z_{\text{test}} = \frac{\bar{X} - \mu}{\sigma / \sqrt{n}}$$

Calculation and Interpretation

To analyze the data, I have used Microsoft Office, MS Excel, different tables, and graphs. I also used the pie chart and Bell Curve to show the survey answer and financial analysis properly. A hypothesis is testing to derive a meaningful conclusion from the practical data.

3.7.1 Test of hypothesis 01

H₀: The National Bank Limited, Tongi Branch does not offer attractive deposit schemes with very good interest rates.

H_A: The National Bank Limited, Tongi Branch offers attractive deposit schemes with very good interest rate.

H₀: $\mu = 3$

H_A: $\mu \neq 3$

$n = 35$

Sample mean/average (\bar{x}) = 2.42

Population Mean (μ) = 3.0

Standard Deviation (σ) = 1.20

Since the sample size is 35. So, Z-test has been used in this study

$$\begin{aligned} Z_{\text{Cal}} &= \frac{\bar{X} - \mu}{\sigma / \sqrt{n}} \\ &= \frac{2.42 - 3.0}{1.20 / \sqrt{35}} \\ &= -2.9 \end{aligned}$$

Step 05: Critical Value

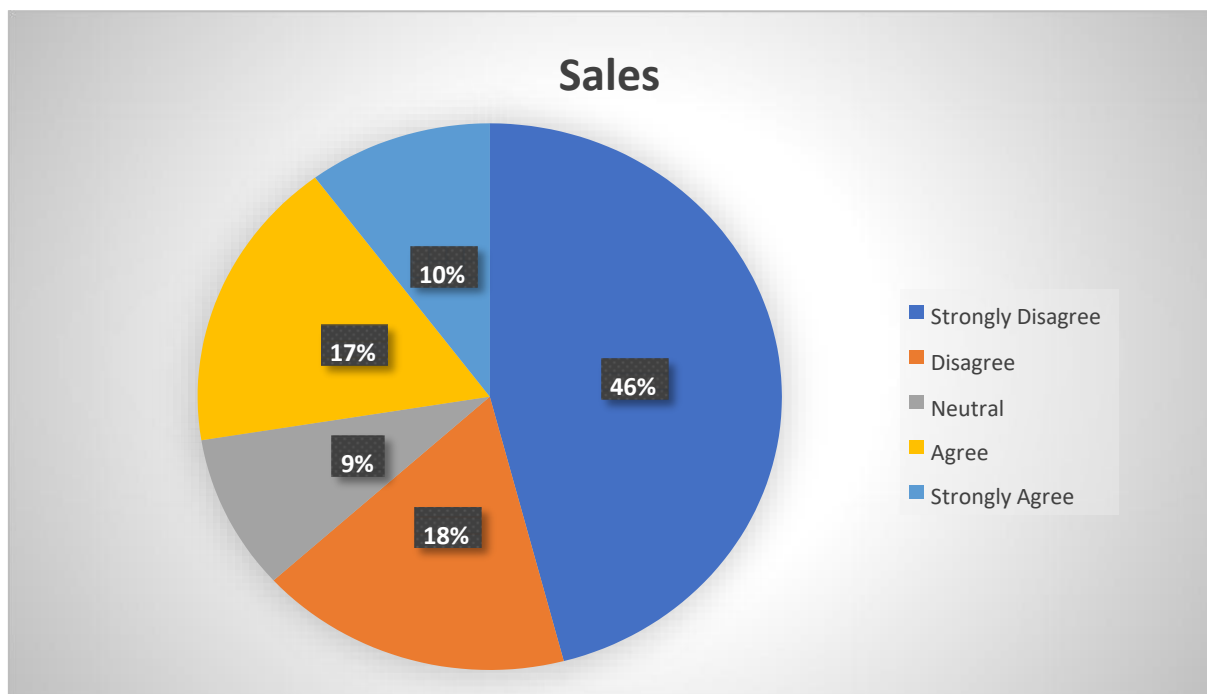
At 5% level of significance in an upper tailed Z test, the critical value is $Z_{\text{tab}}/Z_{0.05} = 1.645$

Step 06: Interpretation

At the 5% level of significance, the value of Z in the Z- distribution table is $Z_{0.05} = 1.645$. Since $Z_{tab} > Z_{cal}$, the null hypothesis is accepted, and the alternative hypothesis is not accepted. Because it's clearly visible that Z_{tab} is greater than Z_{cal} . So, at 5% level of significance, it can be said that The National Bank Limited, Tongi Branch does not offer attractive deposit schemes with very good interest rates.

Step 07: Graphical Representation

Figure No: 3(Pie Chart)



Around 63% of respondents had identified that The National Bank Limited, Tongi Branch doesn't offer attractive deposit schemes with very good interest rates.

3.7.2 Test of hypothesis 02

H₀: Without an account in The National Bank Limited, Tongi Branch, no one can able to take any deposit scheme from there.

H_A: Only existing customers are able to take any deposit scheme from The National Bank Limited, Tongi Branch.

H₀: $\mu = 3$

H_A: $\mu \neq 3$

$n = 35$

Sample mean/average (\bar{x}) = 2.2

Population Mean (μ) = 3.0

Standard Deviation (σ) = 1.14

Since the sample size is 35. So, Z-test has been used in this study

$$\begin{aligned} Z_{\text{Cal}} &= \frac{\bar{X} - \mu}{\sigma / \sqrt{n}} \\ &= \frac{2.2 - 3.0}{1.14 / \sqrt{35}} \\ &= -4.21 \end{aligned}$$

Step 05:

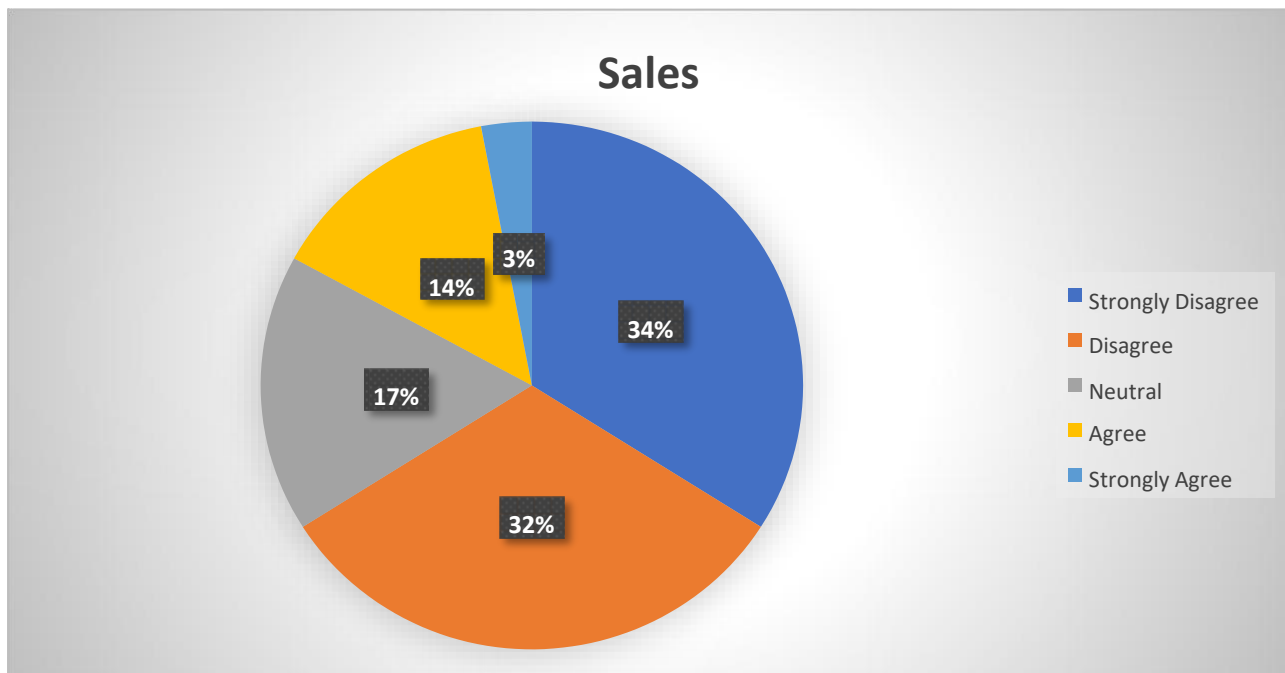
At 5% level of significance in an upper tailed Z test, the critical value is $Z_{\text{tab}}/Z_{0.05} = 1.645$

Step 06:

Interpretation At the 5% level of significance, the value of Z in Z- distribution table is $Z_{0.05} = 1.645$. Since $Z_{\text{tab}} > Z_{\text{cal}}$, the null hypothesis is accepted, and the alternative hypothesis is not accepted. Because it's clearly visible that Z_{tab} is greater than Z_{cal} . So, at 5% level of significance, it can be said that without an account in The National Bank Limited, Tongi Branch, no one can able to take any deposit scheme from there.

Step 07: Graphical Representation

Figure No: 4 (Pie Chart)



Around 66% of respondents had agreed with the statement that only existing customers are able to take any deposit scheme from The National Bank Limited, Tongi Branch.

3.7.3 Test of Hypothesis 03

H_0 : Bank officials do not provide excellent service.

H_A : Bank officials provide excellent service.

$H_0: \mu = 3$

$H_A: \mu \neq 3$

$n = 35$

Sample mean/average (\bar{x}) = 3.65

Population Mean (μ) = 3.0

Standard Deviation (σ) = 1.19

Since the sample size is 35. So, Z-test has been used in this study

$$\begin{aligned} Z_{Cal} &= \frac{\bar{x} - \mu}{\sigma / \sqrt{n}} \\ &= \frac{3.65 - 3.0}{1.19 / \sqrt{35}} \\ &= 3.25 \end{aligned}$$

Step 05:

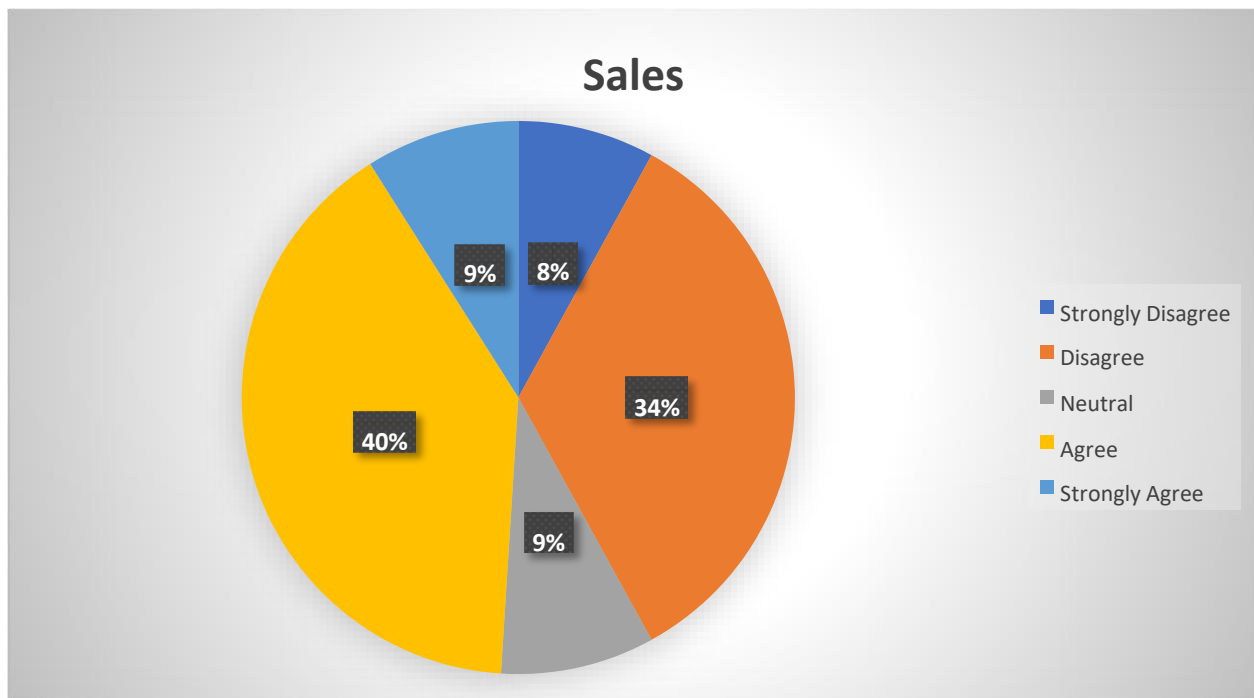
At 5% level of significance in an upper tailed Z test, the critical value is $Z_{tab}/Z_{0.05} = 1.645$

Step 06:

Interpretation At the 5% level of significance, the value of Z in the Z- distribution table is $Z_{0.05} = 1.645$. Since $Z_{cal} > Z_{tab}$, the alternative hypothesis is accepted, and the null hypothesis is rejected. Because it's clearly visible that Z_{cal} is greater than Z_{tab} . So, at 5% level of significance, it can be said that Customers are satisfied with the online deposit schemes service for getting instant feedback after taking a deposit scheme from The National Bank Limited, Tongi Branch.

Step 07:

Figure No: 5 (Pie Chart)



Around 49% of respondents had provided their opinion that Bank officials provide excellent service.

3.7.4 Test of hypothesis 04

H₀: Sonar Bangla is not an effective deposit scheme among other deposit schemes to the customers due to its high interest rate.

H_A: Sonar Bangla is the most effective deposit scheme among other deposit schemes to the customers due to its high interest rate.

H₀: $\mu = 3$

H_A: $\mu \neq 3$

$n = 35$

Sample mean/average (\bar{x}) = 3.4

Population Mean (μ) = 3.0

Standard Deviation (σ) = 1.07

Since the sample size is 35. So, Z-test has been used in this study

$$\begin{aligned} Z_{\text{Cal}} &= \frac{\bar{x} - \mu}{\sigma / \sqrt{n}} \\ &= \frac{3.4 - 3.0}{1.07 / \sqrt{35}} \\ &= \mathbf{2.35} \end{aligned}$$

Step 05:

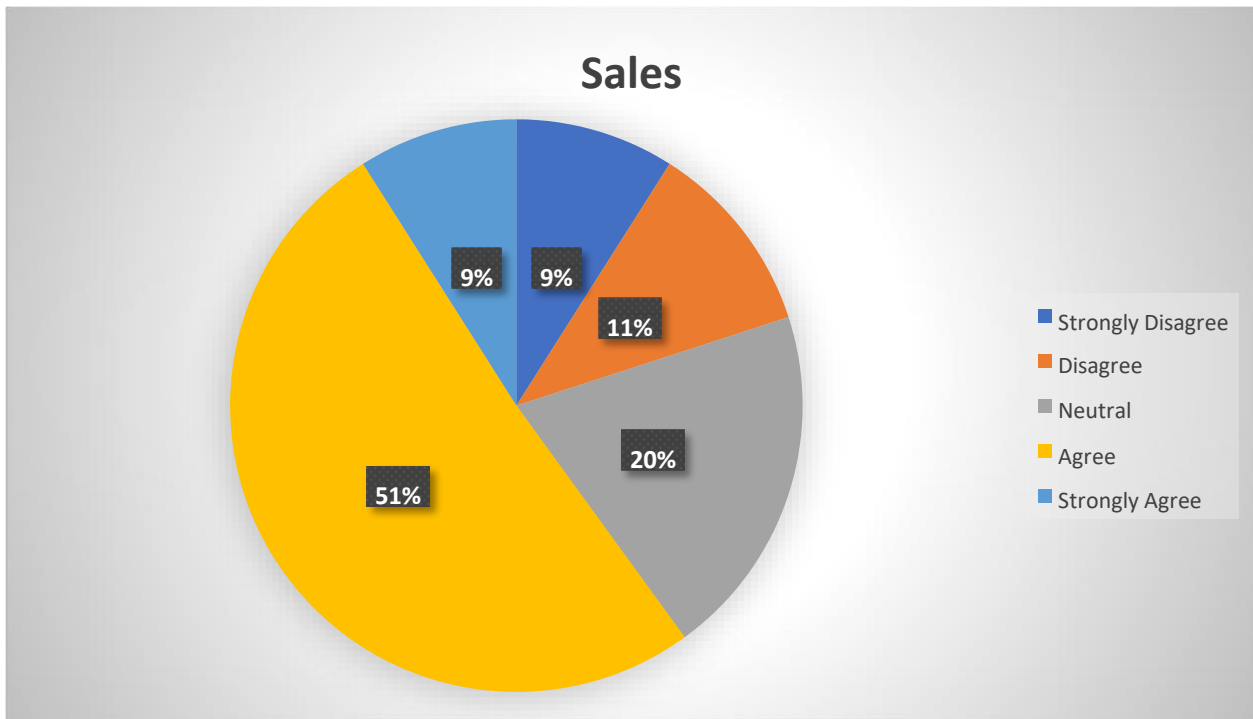
At 5% level of significance in an upper tailed Z test, the critical value is $Z_{\text{tab}}/Z_{0.05} = 1.645$

Step 06:

Interpretation At the 5% level of significance, the value of Z in Z- distribution table is $Z_{0.05} = 1.645$. Since $Z_{cal} > Z_{tab}$, the alternative hypothesis is accepted, and the null hypothesis is rejected. Because it's clearly visible that Z_{cal} is greater than Z_{tab} . So, at 5% level of significance, it can be said that Sonar Bangla is the most effective deposit scheme among other deposit schemes to the customers due to its interest rate of The National Bank Limited, Tongi Branch.

Step 07: Graphical Representation

Figure No: 6 (Pie Chart)



Around 60% of respondents had a positive opinion about the statement that Sonar Bangla is not an effective deposit scheme among other deposit schemes to the customers due to its high interest rate.

3.7.5 Test of hypothesis 05

H_A: The branch offers adequate schemes to meet the needs of all classes of customers.

H₀: The branch does not offer adequate schemes to meet the needs of all classes of customers

H₀: $\mu = 3$

H_A: $\mu \neq 3$

$n = 35$

Sample mean/average (\bar{x}) = 3.94

Population Mean (μ) = 3.0

Standard Deviation (σ) = 0.98

Since the sample size is 35. So, Z-test has been used in this study

$$\begin{aligned} Z_{\text{Cal}} &= \frac{\bar{X} - \mu}{\sigma / \sqrt{n}} \\ &= \frac{3.94 - 3.0}{0.98 / \sqrt{35}} \\ &= \mathbf{5.8} \end{aligned}$$

Step 05:

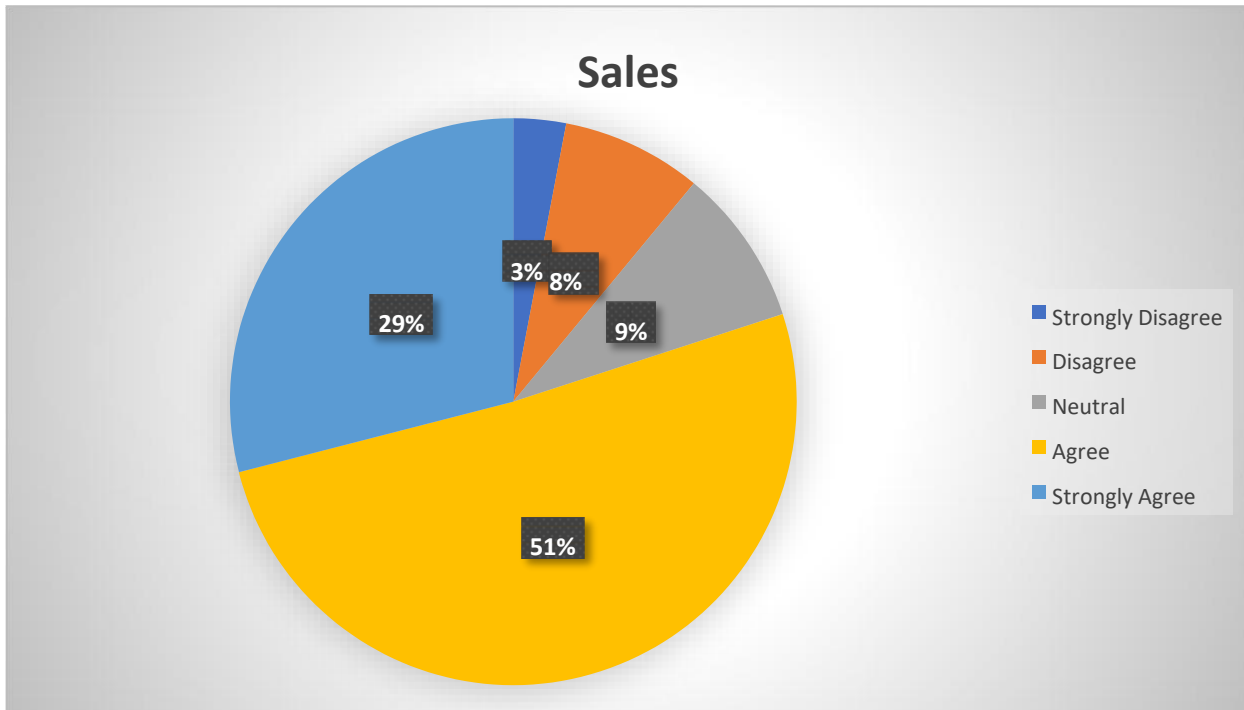
At 5% level of significance in an upper tailed Z test, critical value is $Z_{\text{tab}}/Z_{0.05} = 1.645$

Step 06:

Interpretation At the 5% level of significance, the value of Z in Z- distribution table is $Z_{0.05} = 1.645$. Since $Z_{\text{cal}} > Z_{\text{tab}}$, the alternative hypothesis is accepted, and the null hypothesis is rejected. Because it's clearly visible that Z_{cal} is greater than Z_{tab} . So, at 5% level of significance, it can be said that, The National Bank Limited, Tongi Branch should offer new more deposit schemes with more facilities to get more customers.

Step 07: Graphical Representation

Figure No: 7 (Pie Chart)



Around 80% of respondents had agreed with the statement that the branch offers adequate schemes to meet the needs of all classes of customers.

3.7.6 Test of hypothesis 06

H₀: At the time of maturity of any deposit scheme, the encashment process takes time 3/4 days instead of same day.

H_A: At the time of maturity of any deposit scheme, the encashment process takes instantly from The National Bank Limited, Tongi Branch.

H₀: $\mu = 3$

H_A: $\mu \neq 3$

$n = 35$

Sample mean/average (\bar{x}) = 2.82

Population Mean (μ) = 3.0

Standard Deviation (σ) = 1.23

Since the sample size is 35. So, Z-test has been used in this study

$$\begin{aligned} Z_{Cal} &= \frac{\bar{x} - \mu}{\sigma / \sqrt{n}} \\ &= \frac{2.82 - 3.0}{1.23 / \sqrt{35}} \\ &= \mathbf{-0.9} \end{aligned}$$

Step 05:

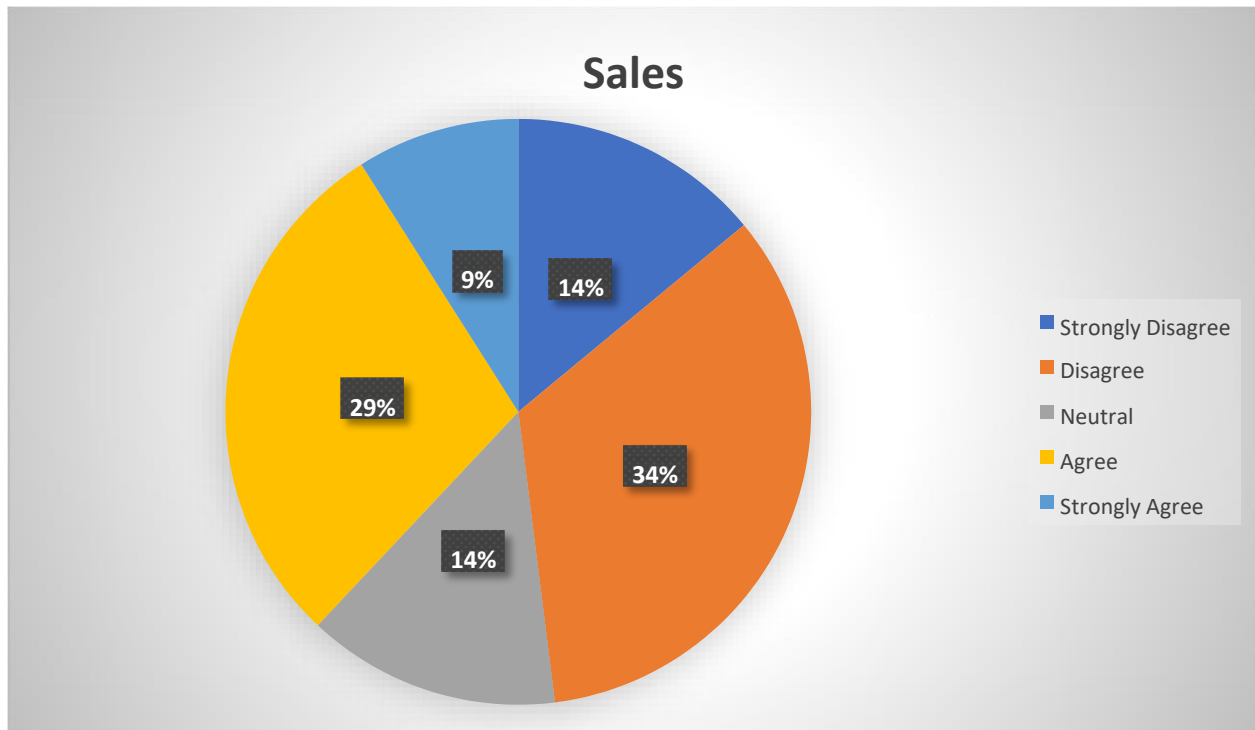
At 5% level of significance in an upper tailed Z test, the critical value is $Z_{tab}/Z_{0.05} = 1.645$

Step 06:

Interpretation At the 5% level of significance, the value of Z in Z- distribution table is $Z_{0.05} = 1.645$. Since $Z_{tab} > Z_{cal}$, the null hypothesis is accepted, and the alternative hypothesis is rejected. Because it's clearly visible that Z_{tab} is greater than Z_{cal} . So, at 5% level of significance, it can be said that, at the time of maturity of any deposit scheme, the encashment process takes much time from the National Bank Limited, Tongi Branch.

Step 07: Graphical Representation

Figure No: 8 (Pie Chart)



Around 48% of respondents had disagreed with the statement that at the time of maturity of any deposit scheme, the encashment process takes instantly from The National Bank Limited, Tongi Branch.

3.8 Findings

- From hypothesis 01, it's found out that, The National Bank Limited, Tongi Branch does not offer attractive deposit schemes because 66% of the respondents have disagreed with the alternative hypothesis.
- From hypothesis 02, it's found out that, The National Bank Limited, Tongi Branch doesn't offer deposit scheme without an account because 66% of the respondents have disagreed with the alternative hypothesis statement.
- From hypothesis 03, it's found out that, The National Bank Limited, Tongi Branch offers excellent service because 49% of the respondents have agreed with the alternative hypothesis.
- From hypothesis 04, it's found out that, in The National Bank Limited, Tongi Branch, Sonar Bangla is the most effective deposit scheme because 60% of the respondents have agreed with alternative hypothesis.
- From hypothesis 05, it's found out that, the National Bank Limited, Tongi Branch offers adequate schemes to meet the needs of all classes of customers because 80% of the respondents have agreed with alternative hypothesis.
- From hypothesis 06, it's found out that, the National Bank Limited, Tongi Branch encashment process takes too long because 48% of the respondents have disagreed with the alternative hypothesis statement.

Recommendation

- The National Bank Limited, Tongi Branch should increase the interest rate of their deposit schemes because of getting more customers and earn a very good number of profits.
- The National Bank Limited, Tongi Branch has good number of online services over deposit schemes and customer are not pleased with that service. That's why the bank needs to work more to update the policies and regulations for giving the best service on deposit schemes to their customers.
- The National Bank Limited, Tongi Branch need to change the policy of taking any deposit scheme. Because they are may have a good number of customers who doesn't want to open an account but wants to take a deposit scheme. For that, is this policy relay on then definitely customers will highly interested to take the positive scheme from the National Bank Limited, Tongi branch.
- At the time of measurity of any deposit scheme, encashment process should be fast that need to complete all the process and transfer the amount from the branch.
- Daddy's high opportunity to get more customers by offering new deposit schemes and that must be favorable to the customers. So The National Bank Limited, Tongi Branch need to make the plan and execute it in a appropriate manner.

Chapter 04

Conclusion

Conclusion

The National Bank Limited is one of the leading corporate banks in Bangladesh. This is also the 1st commercial bank in Bangladesh. This bank creates a lot of ways to use the money in the right place at the right time. From that, this bank also gives good profits to their customers by providing different products and services.

From that, deposit schemes are one of the most effective products for the bank. From there, bank collects a very good amount of money from the customers. But somehow, this bank is losing their customers for not providing profitable interest rates over deposit schemes, online services, policies, etc.

For the COVID-19 pandemic, every business organization got down words, lost their profit and also losses their customers as well. The National Bank Limited also have gone through the situation, but the happiest fact for this bank is they are just recovering from this situation and make them able to get more customers and profit. Though this bank has a very good reputation in the market of Bangladesh, they need to increase the interest rates of deposit schemes, offer newer and newer ones to attract customers more and more.

On the other hand, now a day's people don't want to go bank anymore. They just want to get all the services by staying home by using their cell phone, laptop, tab or other smart devices by using the internet. So for that, this bank needs to update all the banking services and come up with one single mobile application (app).

References

1. <https://doi.org/10.1016/j.jfs.2009.08.002>
2. <https://doi.org/10.1093/jssam/smt008>
3. <https://www.assignmentpoint.com/business/finance/business-overview-idlc-finance-limited.html>
4. [https://doi.org/10.1016/s1062-9769\(02\)00120-5](https://doi.org/10.1016/s1062-9769(02)00120-5)
5. https://www.nblbd.com/about/annual_report
6. <https://www.nblbd.com/about/history>

Appendix Questionnaire for the survey (on Deposit schemes)

Dear Sir/Madam,

This is Shuktara, a student of MBA (Major in Finance and Banking) from the Daffodil International University. I am conducting research on the topic,

“An analysis of deposit schemes, a study on The National Bank Limited, Tongi Branch”. I need your valuable opinion. Let me assure you that all the information provided by you will be used only for academic purposes for conducting my research and kept your provided information under strict secrecy.

Information of the respondents

Name.....

Occupation: Banker Customer

Contact Information:.....

[Please put a tick (✓) mark appropriately for the following questions and your opinion on the following five-point scale: (1 = Strongly disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, 5 = Strongly agree)]

1. The National Bank Limited, Tongi branch offers deposit schemes with very good interest rate.
 strongly disagree Disagree Neutral Agree Strongly agree
2. Only exciting customers are able to take any deposit scheme from The National Bank
 strongly disagree Disagree Neutral Agree Strongly agree
3. Customers are satisfied with the online deposit schemes service for getting instant feedback
 strongly disagree Disagree Neutral Agree Strongly agree
4. Sonar Bangla is the most effective deposit schemes among other schemes to the customer due to its interest rate of The National Bank Limited, Tongi Branch
 strongly disagree Disagree Neutral Agree Strongly agree
5. National Bank Limited, Tongi Branch should offer new more deposit schemes with more facilities to get more customers
 strongly disagree Disagree Neutral Agree Strongly agree
6. At the time of maturity of any deposit scheme, the encashment process takes rapidly from The National Bank Limited, Tongi Branch
 strongly disagree Disagree Neutral Agree Strongly agree