

FORMAL INAUGURATION TODAY

November 29, 1999

The Daily Star

SPECIAL SUPPLEMENT



THE TRUST BANK LTD.

Serves with Trust

Design : Adking

প্রধানমন্ত্রী

গণপ্রজাতন্ত্রী বাংলাদেশ সরকার



বাণী

আর্মি ওয়েলফেয়ার ট্রাস্টের অর্থায়নে 'দি ট্রাস্ট ব্যাংক লিমিটেড' - এর শুভ উদ্বোধন হতে যাচ্ছে জেনে আমি আনন্দিত। এ ব্যাংক দেশের অর্থনৈতিক উন্নয়নে বহিষ্ঠ অবদান রাখবে বলে আমি আশা করি।

বাংলাদেশে এ ধরনের ব্যাণিজ্যিক ব্যাংক এই প্রথম। এটি দেশের অর্থনৈতিক উন্নয়নে বহিষ্ঠ অবদান রাখবে বলে আমি আশা করি।

আমি 'দি ট্রাস্ট ব্যাংক লিমিটেড' - এর উদ্বোধনের সমৃদ্ধি কামনা করি।

জয় বাংলা, জয় বঙ্গবন্ধু
বাংলাদেশ চিরঞ্জীবী হোক

শেখ হাসিনা

BANKING IN THE NEXT MILLENNIUM BUSINESS & STRATEGIES

Maj Gen Muhammed Masudur Rahman, BP, nwc, psc

The role of commercial banks as a financial intermediary, which intermediates fund from the surplus sector to the deficit sector and acts as a catalyst to keep the wheels of commerce and industry moving, is now an admitted fact. The banks provide supportive services for acceleration of growth of economy and promotion of trade and commerce. Now we have to think over the issue how the banks as a financial intermediaries are prepared to face the challenge of the next millennium. Over 47 banks are now operating in the country and some more are in the offing. The banks have to vie among themselves to ensure their share and positioning in the market which has not expanded in a way as to absorb them. The position of each of the banks depends how they are equipped and make them competent to face the challenges awaiting for them. The worldwide trend of liberalization in financial markets has stimulated more innovation and this has sharpened competition among the banks. The banking sector is under compulsion to adopt new technology with a view to improving the service delivery system as to expand the product ranges and to build up Management Information System.



banks are increasingly adopting marketing techniques to sell their services. Marketing includes undertaking research to find out what services the customers desire, planning new services and advertising through media. The epigrammatic definition of marketing is "The activity that establishes the needs of present and potential customers". Marketing of services comes under four interrelated and inter-dependent activities which are commonly referred to as the 4-Ps of marketing or marketing-mix i.e. Product, Price, Place and Promotion. This is to say what are the benefits a customer can derive from a particular service sector at a competitive price at reasonable time. In other words customization of services will become imperative need of the time. Marketing is identifying the most profitable slot of the present markets and the future needs of customers, setting business development goals and making plans to meet them, managing the various services and promoting them to achieve the plan. Banks, those rely solely on traditional methods, are likely to encounter problems and they may be left behind by more innovative operators. Again successful policies in the past may not work in the same manner when conditions change by the next millennium. This is not to conclude that the traditional banking policies will be unworkable by the next millennium but the traditional services are to be exploited and redesigned suiting to the requirement of the changed context.

The ever increasing number of Banks and their branches all over the country, if the present trend continues, will eventually lead to a saturation point in a very near future. It is the demand of time that the banks taking in to account the present trend and conduct extensive research in to the future demands, probabilities, potentialities and forecast the corresponding needs and changes required in the modalities of the working of the banks and in its policy matter as well. The next millennium will be dominated by the Global Electronic Commerce. At present trade transactions are plagued by inefficiencies associated with the transaction of paper documents; for instance, Bill of Lading and import/export documents are transmitted by post or courier with the result they often arrive long after the goods have been anchored at the port. Electronic commerce means paperless method of undertaking commercial transaction over the computer network. We have to rack our brain on the issue how electronic commerce will affect our business. How we are going to position ourselves to derive the benefit from the development of information technology and electronic commerce? It can be said comfortably that the electronic

commerce has vast potentiality and will revolutionize the economy and trade by the next millennium, and so we can not lag behind in race. It is widely believed by specialist, IT professionals and observers that electronic commerce would dominate the entire global trade scenario of the approaching millennium. The Web-based electronic commerce could open up new frontiers of opportunity for the economic progress of the country through image building and possible publicity of our national products to the global community. By the next millennium banks and financial institutions have to reinvent and redesign themselves in the net work economy for consumers. The new technique will set off a contest for customer relationship and brands with more power in the hands of the consumers. The policy and business strategy of the next millennium depend on strong market drive, deepening of mechanization of service delivery system and the last but not the least, is the innovative approach. Creativity breeds innovation and in turn innovation will get added momentum in the banking business by the 21st century. Banks, now-a-days, are looking for new ways to augment profit, enhance employees' job satisfaction and productivity and satisfy shareholders.

Gone are the days for banks to keep their functions confined within the periphery of accepting deposits and lending money as well as making easy profit. The innovative banking is a knowledge-based concept and innovativeness is not a programme but it is a process i.e. way of doing things. In the multifarious problem-ridden society of Bangladesh, banks have the role to serve as an agent of change.

The banks can conceive new schemes towards promotion of productive employment, supplement of income of least privileged section of the society and thus can reduce the incidence of poverty. The objectives of banks have been widened, modernization and newer obligations have proliferated the cost of total operations. So it is imperative to maintain efficiency in the overall activities of the banks as to survive in the environment which will be characterized by stiff competition and the next century will witness the merger and acquisition of problem-banks by the viable ones with rich concepts, innovative ideas and strength of technology. The rapid changes in the banking environment have involved more than geographic spreads and automation. In the banking arena innovation requires to be incorporated into the business plan as a strategic lever and thus to launch new products to accelerate pace of growth of each of the banks considering innovation as an investment opportunity rather than a cost. By the next millennium we shall have to experience networking of the economy on a global basis that will provide wholly different business model based on intellectual capital as the primary source of wealth and value will be added by application of knowledge and technology to work. There will be many avenues of profit to harvest but there will be many institutions which will find themselves as non-existent entity in one fine morning under the pressure of harsh competition of technology and ideas. Therefore, banking - business strategies need serious attention before the sun of the next millennium rises.

বাণী



২৯ নভেম্বর ১৯৯৯, দি ট্রাস্ট ব্যাংক লিমিটেড -এর প্রতিষ্ঠা দিবস। বাংলাদেশ সেনাবাহিনীর ইতিহাসে এই দিনটি স্বর্ণাক্ষরে লেখা থাকবে। এই দিনে সেনাবাহিনীর দীর্ঘদিনের লালিত একটি স্বপ্ন বাস্তবায়িত হলো। মাননীয় প্রধানমন্ত্রী শেখ হাসিনার শেখ গঠনের আহবানে সাড়া দিতে এই ব্যাংকের প্রতিষ্ঠা ত্বরান্বিত করা হয়েছে। অতীতে বিভিন্ন কারণে দি ট্রাস্ট ব্যাংক লিমিটেড প্রতিষ্ঠা বিলম্বিত হলেও অর্থনৈতিক প্রবৃদ্ধি অর্জন এবং সশস্ত্র বাহিনীর সদস্যদের কল্যাণ কার্যক্রমের জন্য মাননীয় প্রধানমন্ত্রী শেখ হাসিনা সিদ্ধান্ত দিতে ঝিঝা করেননি।

গুরুত্বপূর্ণ সেনাবাহিনীর অর্থনৈতিক কর্মকাণ্ড পরিচালনার জন্যই নয়, দেশের সকল শ্রেণীর আপামর জনসাধারণের আর্থিক কল্যাণ নিশ্চিত করার জন্য দি ট্রাস্ট ব্যাংক লিমিটেড প্রতিষ্ঠা করা হয়েছে। সেনাবাহিনী দেশের স্বাধীনতা ও সার্বভৌমত্ব রক্ষার দায়িত্বে নিয়োজিত থেকেও অর্থনৈতিক প্রবৃদ্ধিতে যে অশূন্য অবদান রাখছে তা অত্যন্ত গুরুত্বপূর্ণ। বাংলাদেশ সেনাবাহিনী পৃথিবীর বিভিন্ন আন্তর্জাতিক শান্তি মিশনে গৌরবোজ্জ্বল ভূমিকা পালন করে দেশের জাতীয় পতাকার মর্যাদা বৃদ্ধি করেছে না সেই সাথে উল্লেখযোগ্য অর্থের বৈদেশিক মুদ্রাও অর্জন করেছে। বিদেশে আমাদের কর্মরত সৈনিকেরা যেন নির্বিশেষে তাদের কষ্টার্জিত বৈদেশিক মুদ্রা শ্রমের পরে পারের সেক্ষেত্রে দি ট্রাস্ট ব্যাংক লিমিটেড গুরুত্বপূর্ণ ভূমিকা রাখতে পারবে বলে আমি আশা করি। এই ব্যাংকের মাধ্যমে দেশের অর্থনৈতিক উন্নয়ন কর্মকাণ্ডে সেনাবাহিনীর সম্পৃক্ততা, আমি এই ব্যাংকের সাথে জড়িত সকল কর্মকর্তা ও কর্মচারীদেরকে জানাই আমার আন্তরিক অভিনন্দন।

পরিশেষে আমি পরম কল্যাণময় আন্তর্জাতিকতার কাছে প্রার্থনা করছি দি ট্রাস্ট ব্যাংক লিমিটেড এর যাত্রা শুভ হোক, শুভ হোক এর সকল পরিচালিত কার্যক্রম, দেশের কল্যাণে নিবেদিত হোক এর সকল কর্মকাণ্ড। আমি।

মুহাম্মদ মুস্তাফিজুর রহমান, বীর বিক্রম

সেক্টর-১০, জেনারেল
সেক্টর-১০, জেনারেল
সেক্টর-১০, জেনারেল

বাণী



আমি জেনে অত্যন্ত আনন্দিত যে, আর্মি ওয়েলফেয়ার ট্রাস্ট ফাউন্ডেশন প্রতিষ্ঠিত "দি ট্রাস্ট ব্যাংক লিমিটেড" এর শুভ উদ্বোধনী প্রারম্ভে তারা একটি ক্রেডিট প্রকাশ করছে যাচ্ছে।

চলমান বিশ্বে মুদ্রাবাজার অর্থনীতির প্রতিবেশিতার শক্তিতে বাংলাদেশে বেসরকারীভাবে আরো একটি নতুন ব্যাংকের জন্ম হলো। আমি আশা করবো ব্যাংকটি ব্যাণিজ্যিক কার্যক্রমের মাধ্যমে দেশের আর্থ-সামাজিক উন্নয়নে ব্যাপক অবদান রাখতে সক্ষম হবে। সেবার মানে উৎসাহিতা এনে, পরিবর্তিত ও প্রশিক্ষণপ্রাপ্ত মানববলকে, ব্যবস্থাপনার অগ্রগতি এনে, উন্নত প্রযুক্তি প্রয়োগ করে ও আর্থিক শৃঙ্খলা মেনে চলে এটি একটি আধুনিক ব্যাংক রূপান্তরিত হবে।

ব্যাংকটির জন্মগুণে আমি তাদের অগ্রযাত্রা শুভ কামনা করছি।

বিশ্বাসী ও বিশ্বাসী

ডঃ মোহাম্মদ ফারাসউদ্দিন

গভর্নর
বাংলাদেশ ব্যাংক

FOUNDER MEMBERS OF THE BOARD OF DIRECTORS

- | | |
|--|-------------------|
| 1. Lt Gen Muhammad Mustafizur Rahman, BB, ndc, psc, C
Chief of Army Staff, Bangladesh Army. | Chairman |
| 2. Maj Gen Muhammed Masudur Rahman, BP, nwc, psc
Adjutant General, Bangladesh Army. | Vice Chairman |
| 3. Brig Khurshid Alam, psc,
Director, Ordnance Services | Director |
| 4. Brig Abdul Mannan Miah, ndu, psc,
Director, Welfare & Rehabilitation | Director |
| 5. Brig A N M Muniruzzaman, psc,
Director, WE&S Dte. | Director |
| 6. Brig Md Ahsan Habib
Director, Movement & Quartering | Director |
| 7. Lt Col Khan Golap
A/Director, P/A | Director |
| 8. CSO-1 Ekhlashur Rahman
AAG (Project) | Director |
| 9. Mr. Md. Helal Uddin | Managing Director |

বাণী

আর্মি ওয়েলফেয়ার ফাউন্ডেশন প্রতিষ্ঠিত "দি ট্রাস্ট ব্যাংক লিমিটেড" এর উদ্বোধনী উপলক্ষে একটি ক্রেডিট প্রকাশ করছে যাচ্ছে জেনে আমি অত্যন্ত আনন্দিত।

নতুন সহস্র বছর ও একবিংশ শতাব্দীর প্রারম্ভে ব্যাংকটির যাত্রা শুরু করছে। নতুন যুগের আর্থিক প্রতিষ্ঠান ব্যাংকের নিকট আমাদের চাওয়া এবং প্রত্যাশা অনেক। আমি আশা করি নতুন ব্যাণিজ্যিক ব্যাংকটি যুগের চাহিদা মেটাতে সক্ষম হবে এবং সেই সাথে জাতীয় প্রত্যাশা পূরণ করবে। ব্যাংকটি যেন একটি আদর্শ ব্যাংক হিসেবে গড়ে উঠে সেটাই আমাদের কামনা।

ব্যাংকটির সূচনাগুণে আমি তাদের শুভ কামনা করছি।

জয় বাংলা
জয় বঙ্গবন্ধু

মোহাম্মদ নাসিম

স্বরাষ্ট্র, ডাক, ভার ও টেলিযোগাযোগ মন্ত্রী
গণপ্রজাতন্ত্রী বাংলাদেশ সরকার

বাণী



CUSTOMER SERVICES OF A NEW GENERATION BANK

Brig A N M Muniruzzaman, psc

1. WHO IS A CUSTOMER?

To a Banker Customer is the King. A person becomes a customer of a Bank when the Bank opens an account for him. With opening of the account a contractual banker-customer relationship is established. This relationship, though not formally coded, is established in practice for long and is mostly recognized by courts. This relationship determines the rights and obligations of a banker to a customer.

Other non account holders who encash cheques, make deposit in the accounts or purchase a draft, or Fixed Deposit Receipt, take changes of notes and the like are either customers of Bank's account holders or receivers of subsidiary services of a Bank. However, irrespective of holding an account, all of them invariably are the beneficiaries of services all over the counters, desks and if needed, beyond desks and office compound at customers' doors.

2. WHAT SERVICES A CUSTOMER NEEDS:

With the progress of civilization and technological advancements, banking service needs of the society has continually been dynamically changing and increasing. Today a customer needs to conclude banking transactions instantly, any time, most comfortably, sitting at home or anywhere and possibly for his any business. A modern bank thus has to be manned & equipped to meet such needs. Today a Banker must have the professionalism to solve customers' problems. The Banker must not just try to sell a service or a product to a customer. He has rather to help the customer accept the product by explaining both its advantages and disadvantages and showing how the product will satisfy customer's needs. Such helpfulness results in satisfied customers and a long-term banker-customer relationship.

3. CUSTOMER SERVICES OF BANKS IN BANGLADESH:

In Bangladesh, with the dawn of liberation all banks were nationalized. Bankers cared little for the customer service spirit. With the decentralization of Pubali Bank and Uttara Bank in 1983 and setting up of some private Banks, competition began and quality of banking services began to improve. Since then, banks, especially, the new banks in a competitive environment have been adding new packages of services everyday and trying to sophisticate their service with the aid of information technology.

Of late, a few new generation banks have come up with latest ideas, tools & techniques of information technology to meet the ever-growing expectations of customers. The Trust Bank Ltd-sponsored by Army Welfare Trust of Bangladesh Army is such a new generation Bank. Philosophy behind establishing this Bank is welfare to customers as well. Thus "Welfare to Customer" is its added dimension. Its service packages, besides being better and sophisticated, are also expected to be blended with the welfare of fair and reasonable charges to customers. With the spirit of discipline and sacrifice of Armed forces, this Bank is expected to serve its customers through all odds, calamities and emergencies of the nation.

4. QUALITY OF CUSTOMER SERVICE OF BANKS IN BANGLADESH

The service packages of banks in Bangladesh include traditional, new and sophisticated products. Accepting deposits and allowing withdrawals in operating account, remitting customers money through banking channel, collecting cheques in customers' accounts, financing imports & exports, buying & selling of currencies, accepting safe custody & safe deposit etc are traditional banking services. New products include accepting deposits & allowing credits to segments of customers under special schemes like Deposit Pension Scheme, Insured Deposit & Credit Schemes and so on. Sophisticated products & services

include, selling Travelers' Cheques, issuing Credit Cards, buying & selling currencies, offering ATM & ready cash services and the like.

Today with the aid of information technology, traditional products are also served in sophisticated fashions as if they were sophisticated products or services.

Therefore, for quality services, both professionalism and technological aid are necessary. Unfortunately, due to lack of proper technological aids and professionalism customer service in manually operating banks of the country is far from being satisfactory. They accept deposits to the credit of customer's account maintained in a subsidiary ledger. For cash withdrawals from the account, the customer deposits the cheque taking a token in lieu and waits for some time in que. A ledger posting clerk posts the cheque in the customer's account and then sends it to passing official with other cheques in a lot for signature verification, posting confirmation, passing & scrolling. The check so passed is next sent to cash section in a lot for payment. The waiting customer or presenter of the cheque frequently has to enquire if his cheque is yet been passed for payment or not. At last, on receipt of the cheque, passed for payment, the cashier pays the cheque to the customer taking the token back.

Even if there is no rush of customers, this time killing process takes customers' valuable time. Since all the steps of accounting, checking and counting are made manually; the banker has to be more careful to avoid errors & mistakes. This caution causes taking further time in the process and the spirit of prompt customer service is thus totally frustrated. Needless to mention this creates dissatisfaction of a bored customer during rush hours in such a situation.

More dis-satisfactory response from a Banker is met when up to date pass book entries or a long statement of account is wanted by the customer. Since there is, no other way to get the manually written account statement immediately, the customer has to visit the Bank, again later on to collect the account statement.

Longer queues are observed common even in collection of DESA bills, WASA bills, Telephone bills, Student tuition fees etc.

Banks in Bangladesh especially the private Banks are rapidly computerizing their services to expedite payments of cheques. However, the large banks having their branch networks across the suburbs and villages are much behind in this respect.

In contrast, a new generation bank has the advantage to directly adopt and begin with latest physical and technological facilities of international banking standard. Its book keeping is computerized. It offers point one service. The account balance is instantly made available on the computer screen. The customer presents the cheque direct to the bank officer at the counter. The officer checks the signature, posts the cheque in the account on the computer, passes the cheque himself for payment, counts money in counting machine and pays the cheque. He gives the customer a computer-printed statement of his account instantly. The customer or the presenter of a cheque thus gets payment of his cheque and statement

of his account in a minute.

Customer service to a genuine credit applicant is more dis-satisfactory. A credit applicant very often needs immediate credit to exploit a business opportunity. But, he gets sanction of the loan some times after 2 to 4 months when his need for credit is over or the business opportunity is lost. Banks in Bangladesh resort to such a time consuming exercise to avoid sanction to unworthy delinquent or fraudulent applicants. Even then, fraudulent applicants succeed to get sanction of credits. But, good customers seldom wait for such an uncertain and delayed outcome of sanction.

Bankers conclusively emphasise that only selection of good borrowers can help check sanctioning bad loans. But who will select a good borrower?

A new generation bank has the advantage to begin with selecting a right & professional banker as the Branch Manager who will in turn select a right customer. The Manager must be professionally trained and skilled to correctly appraise the loan requests. He must be professionally efficient & apt to handle credit proposals and obtain sanction from the authority, correctly accomplish documentation and promptly disburse the credit to the customer keeping customers time frame of credit need in view. Some new generation banks are already catering better customer service to credit customers and their loan portfolio is claimed to be almost free from any problem accounts. This proves that, satisfactory customer service to good borrowers is worth rewarding. It is also proved that there exists a community of good borrowers who can be safely and honourably served as bonafide customers. The need is to identify them with professional pursuit only. Banks traditionally issues DD, MT, TT etc to remit customers fund from one station to another. Through DD & TT fund is not instantly transferred. Unless telephone connection with the outstation Branch is available, TT is not also passed. Delay, harassments or refusals to pay customers happen, if test signals in the instruments go wrong or the advice not received while the customer needs the money remitted immediately.

A new generation Bank is expected to offer an excellent remittance service to its customers instantly a small fee through on line computers.

Banks in Bangladesh sell Travelers' Cheques, Foreign currencies through authorised dealing branches. A few local Banks only issue Credit cards to valued customers. Some multinational Banks offer ATM services as well.

New generation Banks with the aid of latest information technology are expected to extend these services more conveniently and apply.

5. ELECTRONIC FUNDS TRANSFER (EFT)

Electronic funds transfer is an evolving technological development of the financial industry to cater to customers' instant needs at convenient locations. The customer carries a small electronically coded card that identifies its holder to a central computer. The card is used at easily accessible locations such as retail stores, airline terminals, restaurants and financial institutions. The card enables the customers to make purchases, withdraw cash, deposit funds, obtain a loan, pay bills etc. In our country, new generation banks have the advantage to begin with this technological facility to cater to the speeds and convenience needs of the customers.

6. CONCLUSION:

So many banks in the country has emerged to cater to the needs of the hitherto neglected customers. Time has come to recognise customer as the real king. Now, the banker has no choice but in order to serve customers satisfactorily to exist in the market and keep positive contribution in the development of commerce and industry of the country.