

**INTERNSHIP
REPORT
ON
Social Investment Bank LTD.(SIBL)**

BUS-499 (Internship)

Submitted to:

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EXECUTIVE SUMMARY

The internship report is prepared with respect to eleven weeks internship program in SIBL. Generally, Banking means deposit mobilization and deployment of that deposit into advances or investments in different sectors. The element of interest has been for long used as main instruments for deposit mobilization and the deployment of funds therefore. This is the product of western civilization. Largest Muslim countries in the world, the people of Bangladesh are deeply committed to Islamic way of life as enshrined in the Holy Quran and the Sunnah, naturally, it remains a deep cry in their hearts to fashion and design their economic lives in accordance with the precepts of Islam. It is committed to conduct all banking and investment activities on the basis of interest-free unveiled a new horizon and ushered in a new silver lining of hope towards materializing a long cherished dream of the people of Bangladesh for doing their Banking transactions in line with what is prescribed by Islam.

ACKNOWLEDGEMENT:

It is well known that practical knowledge in subject matter is essential to substantiate the theoretical knowledge gathered in the educational institutions. In order to resolve the dichotomy between these two areas, I decide to carry out an Internship program in any private commercial bank in Bangladesh. When I got chance to work as internee in the SIBL, I was a long cherished dream come to reality.

First of all, I would like to show my gratitude to Almighty Allah for kind help to finish the report as a consecutive one. I couldn't possibly thank all of those marvelous people who have made tremendous contributions for the preparation of this Internship report . There are of course some very special people who can't go without any mention.

My heartiest express & gratitude to my Supervisor & course coordinator of Bus-499(Internship) who show me wonderful way to prepare the report , without her guidance and valuable suggestion it was very difficult for me to prepare this report.

I also want to thank Mr.M.A.JALIL BHUINYAN the Senior Vice president and Branch Manager of SIBL at mirpur branch for his wonderful suggestion & support to work in such a busy commercial place, MR.Manjural Haque, MD. Sofiullah ,MD. Razzaque, MD. Belayet Hossain. all are very helpful & coordinated me to the banking environment.taught us the general banking and I am also thankful to the H.R Department of Social Investment Bank, Head Office, for their helps. Without their kind help I wouldn't able to prepare such report on H.R Planning of Social Investment Bank.

December 14, 2007

TASKINA ALI

Lecturer and Course Instructor

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Mohakhali, Dhaka

Subject: Submission of Internship Report.

Dear MADAM,

It's my pleasure to submit the report on H.R Planning of "**Social Investment Bank Bangladesh Ltd**", Mirpur branch .

I worked as a internee in the Social Investment Bank Bangladesh Ltd for eleven weeks, which are composed to, eleven weeks in real life working experience in the bank. I have put my best effort in completing the report with all information that I had collected during my association with Social Investment Bank Bangladesh Ltd at mirpur branch.

I have great hope that report will meet your expectation and aid you in getting a clearer idea about the subject. I will take immense pleasure in providing you with any queries that you may have regarding the report.

Thanking for your time and reviews.

Yours faithfully.

.....
Mohammad Zahidul Islam

ID # 2004-1-10-056

ORIGIN OF THE REPORT

The internship program of BBA School of Business, is a partial requirement to take a taste of real life challenge conducted by the intern. It is an important part of the BBA/MBA program. This program is for 3 months duration. However, I was assigned to Mirpur Branch of Social Investment Bank Bangladesh Limited to complete the program. The period for this program was from 07 October 2007 to 30 December 2007. During this period I have worked closely with the employees of the Bank in Mirpur Branch. I was assigned a topic “H.R Planning of SIBL” by the supervisor for the program.

RATIONALE OF THE STUDY

Theoretical knowledge is not enough for a student. It is a far difference between theoretical knowledge and practical field. So, these two should be synchronized. Our internship program is launched mainly for this purpose. Another purpose that may be is to know about the rules, regulations, and environment of an organization before getting a job. To gather some experience, which will help a student to get a good job, may be another purpose of the study.

Introduction

Social Investment Bank Limited is a joint venture Shariah based Bank, came into operation on the 22nd November 1995. As a corporate objective, SIBL has defined its operation in three different sectors -i.e. Formal, Non-formal & Voluntary, while formal sector deals in general commercial activities as a scheduled Bank, Non-formal Sector aims at “ Empowering Family”- by creating investment opportunities to Micro and SMEs client. Voluntary sector deals in Cash Waqf Certificate Scheme-an innovative financial product towards welfare to the mankind.

Our Vision

Social Investment Bank Limited started its journey with the concept of 21st Century Islamic participatory three sector banking model: I) Formal Sector-Commercial banking with latest technology; ii) Non-Formal Sector-Family Empowerment Micro-Credit & Micro-Enterprise Program and iii) Voluntary Sector-Social Capital Mobilization through CASH WAQF and others. “Reduction of Poverty Level” is our Vision, which is a prime object as stated in memorandum of Association of the Bank with the commitment “**Working Together for a Caring Society**”

Our Mission

- 1.High quality financial services with the latest technology.
- 2.Fast, accurate and satisfactory customer service.
- 3.Balanced & sustainable growth strategy.
- 4.Optimum return on shareholders' equity.
- 5.Introducing innovative Islamic banking products.
- 6.Attract and retain high quality human resource.
- 7.Empowering real poor families and create local income opportunities.
- 8.Providing support for social benefit organizations-by way of mobilization funds and social services.

Our Activities

Social Investment Bank has efficient and experienced human resources for rendering better service to its clients along with modern technology. Islami Shariah Based Banking Activities of this Bank are as Follows:

Formal Sector

A. Deposit

Al-Wadiah Current Deposit Account

Mudaraba Term Deposit Account

Mudaraba Notice Deposit Account

Foreign Currency Account

Cash-Waqf Deposit Account

Different Schemes Account

Mudaraba Monthly Profit Deposit Account.

Mudaraba Hajj/Umrah Savings Account.

Mudaraba Education Savings Deposit Account.

Mudaraba Special Savings (Pension) Scheme Account.

Mudaraba Millionaire Scheme Account.

Mudaraba Monthly Savings Based Term Deposit Account.

Mudaraba Lakhpoti Deposit Scheme Account.

Mudaraba Double benefit Deposit Scheme Account.

Mudaraba Foreign Currency Term Deposit Scheme Account.

Mudaraba Mohor Savings Scheme Account

Mudaraba Marriage Savings Scheme Account

ATM Debit Card Facility.

B. Investment

Mudaraba-Trust Finance Partnership

Musharaka-Participation Financing/Equity Financing

Murabaha-Cost Plus Sale

Bai-Muajjal-Sale under deferred payment

Bai-Salam-Forward Purchase

Leasing-The Bank lease out Machineries, Transport, Houses, Ship etc. for an agreed period of time, the company being the legal owner and the lessee having the right to use the property for the duration of the contract.

Direct Investment-The Bank directly invests capital on medium and long-term basis in Industry, Agriculture, Trade, Transport, Immovable property and for construction of house etc.

Hire Purchase-Under hire purchase system of business the bank invests for purchasing durable asset like machineries, equipment, transport, land and building etc. along with the client with the stipulation that the client shall pay off the principal along with rent (at the agreed rate) in installments.

C. Foreign Exchange

The bank purchases and sells foreign currencies and carry on business of import through opening of L.C and also financing export business.

D. Remittance

The bank remits client's money both at home and abroad, complete all formalities of remittance in respect of Bangladeshi living abroad and other customers.

E. Non-Normal Banking:

Aims at "Empowering Family"- by creating investment opportunities to Micro and SMEs clients

F. Voluntary Banking Services:

Voluntary sector deals in **Cash Waqf Certificate Scheme**-an innovative financial product towards welfare to the mankind.

G. Special Banking Services:

In Addition, the Bank:

► Issue Guarantees,

- ▶ Accept certificate and shares,
- ▶ Provides locker service for safe custody
- ▶ Discharges responsibility as investment trustee
- ▶ Carries on transactions on client's behalf
- ▶ Works as correspondent of local and Foreign Banks and other Financial institutions
- ▶ Acts as Banker to the issue on behalf of the companies
- ▶ Provides consultancy service to the customers
- ▶ Also provides all other banking services

**SOCIAL INVESTMENT BANK LIMITED (SIBL)
ORGANOGRAM**

Approved by the Board of Directors in its 127th meeting held on 07 August 2020

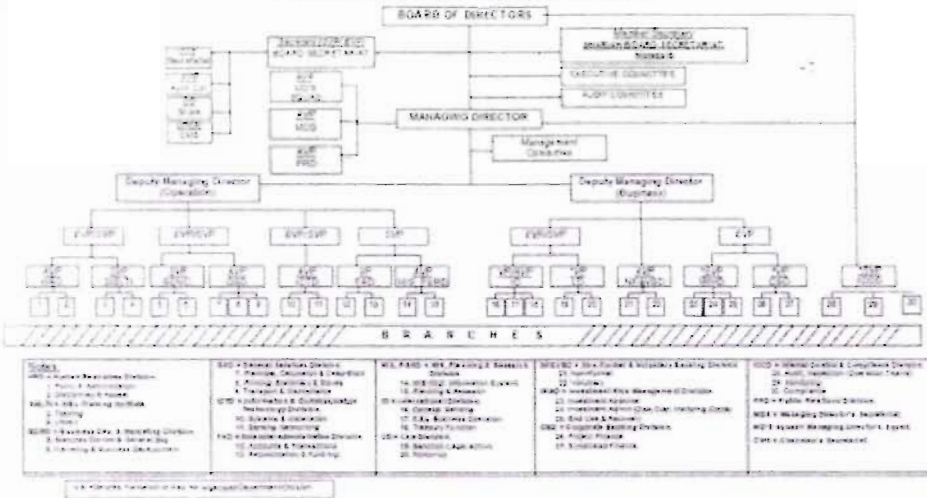
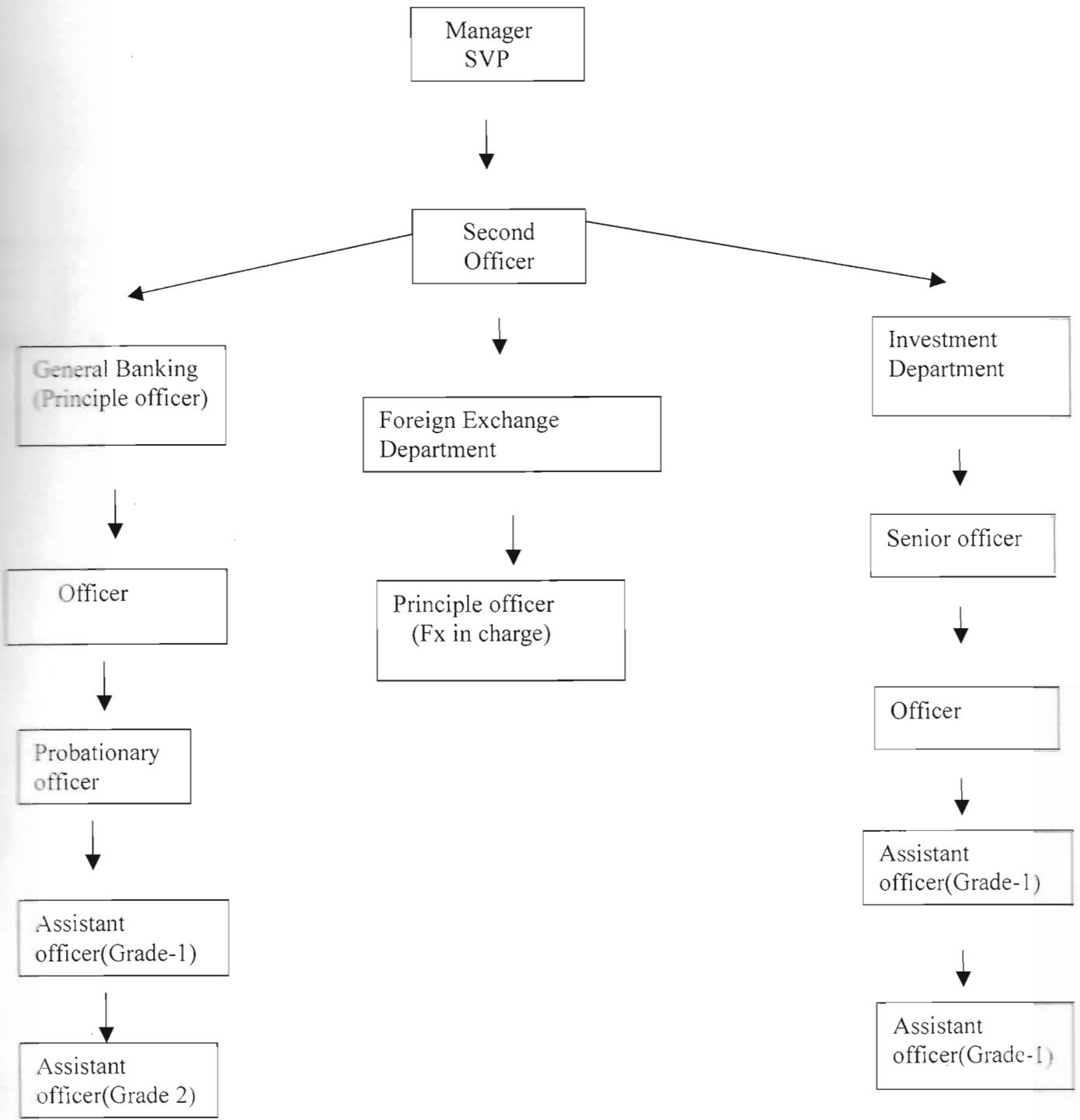
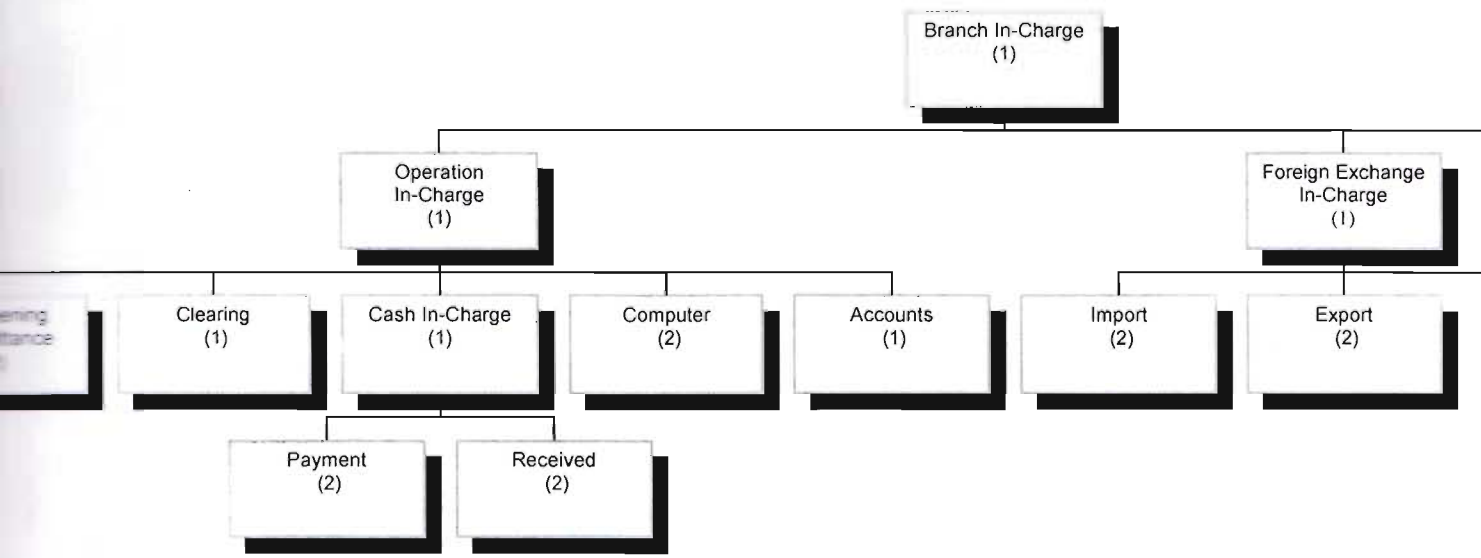


Fig: Organ gram of The SOCIAL INVESTMENT BANK

ORGANOGRAM OF MIRPUR BRANCH





H. Information Technology Services:

As regard information technology SIBL has uploaded its website which makes easy access in the world of communication –technology.

SWOT ANALYSIS

SWOT analysis is a tool for auditing an organization and its environment. It is the first stage of planning and helps the marketers to focus on key issues. Strength and Weaknesses are internal factors; Opportunities and Threats are external factors. We use SWOT because it is an effective way to identify the Strength and Weaknesses and have examining the Opportunities and Threats that we face in the real world

SWOT stands for Strength, Weaknesses, Opportunities and Threats. And it may be up and down or side by side.

Why should an organization conduct SWOT analysis?

1. We should be realistic about the Strength and Weaknesses of the organization/s
2. Analysis should distinguish between where the organizations are today and where they could be in the future.
3. We should be specific and should avoid the grey areas.
4. SWOT should be short and simple.

5. Complexity and over analysis should be avoided.

The SWOT Analysis of Social Investment Bank Ltd (SIBL) is given below:

STEP-1: Conducting SWOT Analysis of SIBL

Strengths:

1. The bank is financially sound to operate its banking activities. It has adequate capital to run the operation.
2. The bank stores skilled, competent, eligible & experienced employees who are the asset of the bank. A number of young, energetic & skilled employees render their service that makes operation of the Bank very smooth.
3. The branches of the bank are situated at prime business locations so that the bank could provide services to the potential clients.
4. The bank has an approved organogram with proper reporting-relationship (attached herewith).
5. The bank is fully computerized with real time banking facilities that attract the people to the bank.

6. The bank has a proper succession planning. That is why in case of vacancy in any top management post it can be fulfilled as per the succession planning and the smooth operation of the bank is not hampered.

Weaknesses:

1. The number of branches is not sufficient in respect of the age of the bank. So the branches are not able to cover the services throughout the country.
2. The employees have no participation in the capital structure. They are just treated as salary paid employees.
3. In some cases, Directors of the bank interfere in recruiting & selection process.
4. Downward trend of net income of the bank in the last two consecutive years is acting as a de-motivating factor of the bank.
5. The publicity of the bank both in electronic & printing media is very limited. As a result, mass people are not completely aware about the diversified services provided by the bank.
6. Sometimes the Directors and other influential groups create pressure for low quality investment. This becomes difficult to recover those investments, which increases the classified investment of the bank and reduces its profit position.

Opportunities:

1. The bank is based on Islamic Shariah. The majority people of the country believe on Islam that toward to the bank.
2. The bank is a three sector banking model i.e. Formal, Non-formal & Voluntary, while formal sector deals in general commercial activities as a scheduled Bank, Non-formal Sector aims at “ Empowering Family”- by creating investment opportunities to Micro and SMEs client. Voluntary sector deals in Cash Waqf Certificate Scheme-an innovative financial product towards welfare to the mankind
3. As the business is expanding globally day by day. The banking activities are also increasing with match the situation.
4. Non-political environment prevail in the bank. The employees are not involved any political activities in the bank area. The employees of the bank do their duty without interferences of any political pressure.

Threats:

- 1.The employee turnover is high due to lower salary than other banks. This turnover causes high cost of the bank.
2. Political instability of the country is harming the banking sector along with other business organization.
- 3.Sometimes extravagant call money rate hamper our banking activities
4. Bangladesh bank plays an important role to control the commercial banks. Sometimes Bangladesh bank want to interfere in internal affairs of the commercial bank, which is not at all desirable.

5. The bank operation directly engaged in money market where exchange rate fluctuation create problem for the bank.
6. Sometimes World Bank & International Monetary Fund prescription/domination which has no applicability in the context of our country may become burden for us.
7. Some private commercial banks are functioning with very aggressive banking, which creates an unhealthy competition in the banking sector increasing risk involvement.

STEP-2: SWOT Analysis on Human Resources of SIBL

Strengths:

1. The bank has skilled manpower with excellent academic track alongwith highly professionalism that leads the ability of getting any job done effectively.
2. The bank has an approved organogram with proper-reporting authority that clearly shows whom to report by whom. Thus the works are done very smoothly with effective follow up & monitoring.
3. The bank follows excellent recruitment & selection procedure that leads to inflow of the genuine & deserving manpower in the bank.

4. The bank mainly recruits manpower in 02 categories such as (i) fresh & (ii) experience. It is easy for the bank to train & develop the fresh officers with the ideologies and views of the bank and to develop a regular motivated and devoted working group. Through recruitment of experienced officials, it becomes easy for the bank to integrate the modern diversified strategies followed by different banks and accelerate and expand its business horizon. It also helps the Bank to manage the turnover of manpower.
5. The bank has its own training institute with expertise faculties and supported by modern facilities like Air condition, multimedia etc. It enables the bank to develop its manpower with upto date rules regulations, procedures strategies etc. and to improve the knowledge, skill and attitude of the works resulting better output.
6. The bank has separate Information Technology Department with highly skilled manpower that enables the bank to provide modern technology based banking service to the customers as well as to get benefit of the technology to perform its internal works.
7. The bank follows a fair policy for equal opportunity employment (EOE) i.e. gender discrimination is not done for employment for different leaves even for maternity leaves. So the employees feel good with the bank and engage themselves for the betterment of the organization.
8. The bank strictly follows obligatory privileged leave for 15 days along with one month basic pay for each employee each year which gives the employee a chance for recreation with bank's finance and it enables the bank to reduce fraud & forgery through deputing & checking the desk works of the employee on obligatory privileged leave.

Weaknesses:

1. The compensation package of the bank is comparatively poor than that of other banks which lead to higher tendency of outflow of manpower and the bank cannot attract the promising officials to joint the bank.
2. Sometimes the Directors of BOD interferes the recruitment and comparatively inferior officials are recruited which affects negatively on the internal working environment, customer service as well as on the image of the bank.
3. Sometimes the Training Institute cannot provide necessary training to all the employees and sometimes the right person was not nominated for the training courses as a result the officials have to work with inadequate knowledge that reduces efficiency & accuracy of the works.

Opportunities:

1. Bangladesh is a country of huge unemployment. A good number of brilliant students are coming out of the universities having graduation. The fresh university graduates now-a-days have a good fascination towards the Shariah Based Islamic Banking. So as a result being a Islamic shariah based bank, Sibl has a good opportunity to recruit brilliant officials from the fresh graduates.
2. Having retirement (usual or voluntary) from the Nationalized Commercial Banks the people have a common tendency to work with a shariah based bank, so SI BL has a good opportunity to attract the retired experienced bankers to join with SIBL.

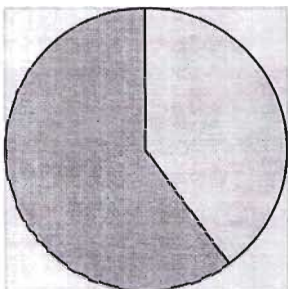
Threats:

1. Most people think that there is no task difference between traditional & Islamic banking and they think that Islamic banks are Chanting the people. They also try to research thesis concept to others. It makes a negative image against the bank and some people do not feel interest to work in a Islami bank like SIBL.
2. The traditional banks sometimes offer higher salary than the shariah based Islami banks. As such some body do not feel interest to join in SIBL

STEP-3: Budget allocation for HRD in the annual budget 2006-

HR budget:

Annual financial budget of the bank for the fiscal year 2006-2007 is Tk. 50.00 crore, out of which allocation for the Human Resource Department is TK. 30.00 crore. This is the 60% of total budget of the bank.



Budget for Others 40%
 Budget for HR 60%

STEP-4: Review the Organization's strategic plan

1. The bank will ensure it's modern banking services to the people of all levels.
2. The bank will open at least one branch at the district head quarters.
3. The bank will emphasize on procurement of low-cost-deposits and increasing the non-funded business.

STEP-5:Inventory of the existing workforce of SIBL

At present the bank has the following manpower categorically

Sl.No.	Level	Designation	No. Of Personnel
1.	Upper Level	MD to EVP	48
2.	Mid Level	EO to AVP	200
3.	Lower Level	Sr. Officer to Officer	350
		Sub Staff	100
Total			700

STEP-6: Human Resource Objectives

Long Term Objectives:

- 1.To recruit appropriate fresh and experienced personnel in different departments and branches (existing and to be opened) keeping in view the five years expansion goal of our organization.

2. To train and develop the manpower time to time for smooth operation of the bank as well as to ensure better customer service.

Short term Objective:

1. To open 10 new branches with 12 officials at each branch by 31st December 2007.
2. To increase the business position by 31st December 2007.as per the following breakup:

Sl No.	Items	Present Position	% to be Increased	Expected Volume
1	Deposit	2000.00	20%	2400.00
2.	Investment	1800.00	20%	2160.00
3.	Foreign Exchange business	1000.00	20%	1200.00
4.	Remittance	200.00	25%	250
5.	Profit	50.00	30%	65.00
6.	Reduction of classified investment	100.00	50%	50.00

3. To ensure posting of sufficient manpower (12 officials at each branch) to the new ten branches to be opened by 31st December 2007

4. To recruit 80 officials by 31st August 2007 as per the following:

STEP-7: Human Resource Policy

Policy:

1. Provide equal opportunity to all regardless gender, religion. Race, color etc.
2. Only those fresher will be called for written test who fulfills the minimum qualification mark. Than they have they have to go through a written test and vivavoce. Experienced candidates will be selected on the basis of their academic record and years of quality experience.

Sl No.	Designation	Number	Category	Last Date of Recruitment
1.	Executive Officer/ Sr. executive officer	15	Experienced	31 st March 2007
2.	Executive Officer/ Sr. executive officer	15	Experienced	31 st March 2007
3.	Probationary Officer/ Junior Officer(Cash)	50	Fresh	31 st March 2007

3. Probationary period for the freshers will be two years and for experienced it will be six months.
4. At that time freshers will only get consolidated salary experienced will get regular pay. After the completion of probationary period with satisfactory performance they will be eligible for all kinds of benefits as per the bank service rule.
5. The junior officer (cash) will eligible for promotion after three years of service. Having promotion they need not work in the cash counter.

6. All the newly recruited officers (fresh and experienced) will join in an orientation course for two days.
7. The newly recruited fresh officials will go through a month long basic foundation training course conducted by the SIBL Training Institute

STEP-8: Human Resource Strategies

HR Strategies:

1. All types of recruitment will be conducted by publishing advertisement in the leading newspapers, so that quality people from all corners can apply.
2. To maintain a 30:70 ratio of experienced and freshers in all newly opened branches to ensure smooth operation and to buildup the fresher.
3. Female officers will get preference for the front desk jobs.

STEP-9: List of Activities

Sl.No.	Activities	Responsible Dept/ Person	Allotted Time
1.	Collect an approval from Bangladesh Bank to open 10 new branches in the year 2007. (All necessary task including formulation of proposal, sending it to BB, following up, replying the queries, etc.)	Business development and Marketing dept.	Within the Shortest time
2.	Selecting location for the new branches	Business development and Marketing dept.	10 th January 2007
3.	Finding necessary floor spaces for new branch Premises at the suitable location and signing Contract with the parties.	Business development and Marketing dept.	31 st January 2007
4.	Interior and exterior decoration of the branch Premises. (Inviting tender from the interested Parties, selecting the parties, following up, etc)	General service Dept.	28 th February 2007.
5.	Procurement of necessary resources and supplying Thereof. (Computers, telephones, network Accessories, chair, tables, teller machine, CCTV, AC, emergency bell, etc.)	General service Dept.	28 th February 2007
6.	Posting of 40 existing officials to the new branches Including managers.	Human Resource Dept.	15 th February 2007
7.	Recruitment of 30 experienced officials and	Human Resource Dept.	31 st January 2007
8.	Arrange orientation program for the newly Recruited officials	Training Institute	20 th February 2007
	Provide foundation courses to the freshers	Training Institute	30 th June 2007

STEP-10: List of Resources needed to carryout the activities

Sl.No.	Items	Quantity
1.	Computer	120
2.	Printer	30
3.	Scanner	20
4.	Phone	30
5.	Chair	360
6.	Desk	200
7.	Almira	50
8.	AC	50
9.	CCTV	100
10.	Vehicle	20
11.		

STEP-11 Budget for Human Resource Dept

Sl. No.	Items of expenditure	Tk(crore).	Source of Fund	Tk(crore).
1.	Advertisement for recruitment	0.50	Annual budget	30
2.	Honorarium to HR specialists for Conducting selection exams.	0.20		
3.	Honorarium to HR specialists for Salary survey and preparing a new Salary structure.	0.50		
4.	Honorarium to guest speakers for training.	0.10		
5.	Center fees for recruitment exam	1.00		
6.	Other expenditure for training, workshops etc.	2.00		
6.	Benefits and salary expenditure of New Entrants	3.00		
7.	Benefits and salary expenditure of Existing employees	17.50		
8.	Retirement benefits	0.50		
9.	Miscellaneous expenses for HRD	0.70		
	Total	30.00		30.00

Conclusion

The bank has a strong financial health and the officials are also skilled. If the bank provides competitive compensation package to its employees and recruit fresh officials time to time as fresh blood, we expect that SIBL will be a leading bank in Bangladesh within a short span of years.

Limitations

1. With the view not to disclose the data of the bank sometimes the original data were not available and we had to depend on imaginary data.
2. Since the officials of the bank remain very busy for their desk works, they could not give enough time to us for collecting data.