



## **Cooperative Education Report**

### **A Study of General Banking Activities and Analysis of How Service Fairness Affects Quality, Customer Satisfaction, and Customer Loyalty**

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**This Report Submitted in Partial Fulfillment of Requirements for  
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**Title:** A Study of General Banking Activities and Analysis of How Service Fairness Affects Quality, Customer Satisfaction, and Customer Loyalty

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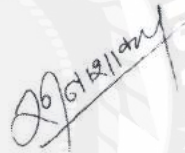
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We have approved this cooperative report as a partial fulfillment of the cooperative education program semester 2/2017

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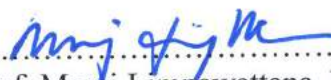
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**Project Title:** A Study of General Banking Activities and Analysis of How Service Fairness Affects Quality, Customer Satisfaction, and Customer Loyalty

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### **Abstract**

My internship is conducted in Laxmi Bank Limited which is one of the sixteenth commercial bank of Nepal and was the first and ever merger in the Nepalese corporate history. This report explains about the general banking activities in Laxmi Bank such as in Customer Service Department, Clearing Department, Loan Department, Cash and Remittance Department, etc. and also, various services provided by Laxmi Bank such as various savings account, fixed deposit schemes, recurring deposit, mobile money and internet banking services, types of loans, etc. This report also talks about satisfaction and loyalty of the customer depending on the type of services provided. This report also answers the question of whether or not quality service is important for customers and the effect of price fairness on customers.

**Keywords:** Customer Satisfaction/ Customer loyalty/ Service fairness

## **Acknowledgement**

First of all, I would like to express gratitude to Siam University's faculty for organizing the cooperative education program as a part of the course for the entire batch of 2014-2018 through which we were able to experience corporate world and work in an organization and being familiar with official works. This made us gain experience about the workplace, nature of work, organizational structure, and organizational environment. This helped us to being able to communicate with the professionals through which we gained some valuable information which will be helpful for us in our future work.

I would also like to thank Laxmi Bank Limited. for providing me this great opportunity to work with the organization and being familiar with the official works and learning about various services and activities done in the bank. I would also like to thank the organization for helping me and guiding in every task which was assigned to us.

I would also like to thank all those people who accompanied and provided their help during my entire internship tenure.

Thank You

Krishna Shakya

BBA (2014-2018)

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## **Chapter 1: Introduction**

### **1.1 Company Profile**

Laxmi Bank Limited (LXBL) was established in April 2002 as the 16<sup>th</sup> commercial bank in Nepal. Laxmi Bank merged with HISEF Finance Limited in 2004, which was the first and ever merger in the Nepali corporate history. Laxmi Bank was re-registered under the "Banks and Financial Institution Act" as Category 'A' company. The head office of Laxmi Bank is in Birgunj and its corporate office is in Hattisar, Kathmandu. Laxmi Bank offers products such as: Fixed deposit, Recurring Deposit, Loan, Credit card, Dollar card, Savings, Bancassurance and Microfinance (Financial Nepal, 2012). Laxmi Bank today offers the greatest scope of personal savings arrangements and is a tough leader in the retail banking space. The bank also provides great electronic service delivery systems such as the internet banking, mobile banking (mobile money), transaction and data alerts, e-mail solutions and ATMs. Laxmi Bank keeps on expanding its service and distribution network in a vital and strategic manner and currently Laxmi Bank has 76 branches, 22 within Kathmandu valley.

The mission statement of the company is stated as "Laxmi Bank is committed to excellence in delivery and to maximize stakeholder values by embracing team spirit, progressive technology and good corporate governance" (Laxmi Bank, 2016).

The values of a company make it enable for the customers to know what the company is providing and what kind of culture and principles the company has been conducting. In essence, the bank believes that the success can only be reaped by living their core values and principles that they are customer focus, quality,

honesty and integrity, belief in staff, corporate social responsibility, and teamwork (Laxmi Bank , 2016).

Laxmi bank has been vigorously investing in developing banking technologies, with a view of providing consistent, safe, fast and advance banking services.

There are about 400 staff individuals who are working for LXBL. Because of strong information technology, innovations, elevated expectation or high standard of corporate governance and prudential hazard management, LXBL have demonstrated its superiority amongst others.

## 1.2 Organizational Structure

The main body of LXBL is centered in the Board of Directors (BOD) which comprises of one Chairman and 9 Directors. The Board of Directors are responsible for making strategic decisions and furthermore develops various policies, approaches and strategies to emerge and materialize its visions and missions. They are responsible for managing the organization at the highest levels and they approves annual budgets and often approves departmental and activity budgets. (workchron, 2012) The decisions and strategies are then communicated to the Chief Executive Officer (CEO) who with the help of GM and the other Officers executes the plans and responsibilities in different divisions. The organizational structure of Laxmi Bank is as follows:

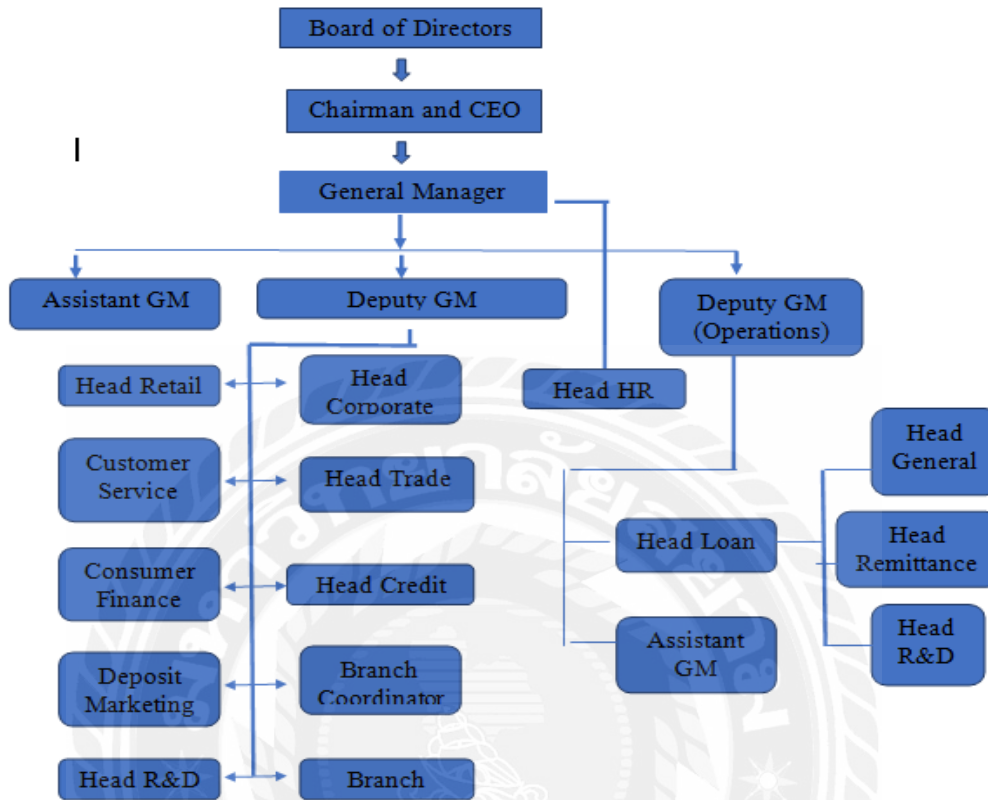


Figure 1 Organizational Structure of Laxmi Bank

### 1.3 Objectives of the study

The main aim of the internship is to experience and practice corporate activities in the real life and being able to put the theories we learnt in the books into practice. This internship helped to know the activities performed in the bank and the type of services and products that the banks provide. Even though, I focused only in CSD, the other fellow workers were very helpful to guide me on their specific departments. I didn't get to work in departments such as Cash, Remittance and Loan departments as it required permanent staffs. But I got to learn about the types of loans, cash operations etc. The objectives of the study are:

- To learn about the different products and services provided by the bank
- To learn about how different departments such as CSD, Credit Department and Operation Department function in LXBL
- To increase the PR and also developing customer relation skills in order to facilitate the banking services as per the customer needs
- To find out the customer's attitude and satisfaction towards the service provided by the bank
- To increase my confidence in different working environment and situations

### 1.4 Statement of report

The Internship has been performed as a requirement of the course for the completion of the undergraduate degree at Siam University. This is a part of the course for the students to complete a 3 months of internship for the better knowledge of the industry and experience of working in an actual market before the completion of the undergraduate degree.

### 1.5 Expected outcome

Internship is a great platform for undergraduates to experience practical work life, career exploration, skill building, developing network and also interpersonal development. From the study, we will be able to know about the different products and services that the banks provide such as:

- Different schemes of FD and RD
- Different types of savings account available in the bank
- Different types of loan provided
- Bancassurance
- Different types of electronic service provided by the bank

Also, through the survey we will know the level of satisfaction of customers from the service provided by the bank and what they expect from the bank in the possible future.

## 1.6 Limitations of the study

During my internship duration, there create many limitation and difficulties which are as bellows:

- I wasn't allowed to use the system operations, i.e. software operations as it required permanent staffs or outsource staffs.
- Since most of my internship period is focused and spent on Customer Service Department, thus this study is concentrated largely in the operation of CSD and doesn't mentions activities performed in other departments.
- Due to time limit, I wasn't able to understand the detail banking activities of other department.
- I was given to do very basic things in bank, so my all other learning was through looking at 'how the staffs worked in software systems' and 'by asking our queries to the staffs itself'.
- Due to confidentiality issues maintained in the bank, it was difficult to obtain information.
- Busy schedule of the organization staffs made it difficult to share the overall knowledge they have.

## **Chapter 2: Literature Review**

Satisfaction is basically known as a measure or an element that can fulfill the requirements or needs of the customers in a better way than other competitors in the market. It is a fact that customer satisfaction depends on the good and services provided by an organization and the cost it charges for the services provided. Every organization should always aim to secure customer loyalty and should recognize the factors of customer dissatisfaction. The qualities that an employee must have to maintain customer loyalty and satisfaction are being helpful, friendly, knowledgeable, reasonable pricing etc.

In Customer Service Department, where we have to deal with many customers, we must be able to understand the customer needs and solve their queries and expectation in order to increase potential to succeed in market. In order to build the customer loyalty for a long term, it must be able to facilitate almost each customer individually. Behavioral and attitudinal approaches are the main approaches the customer loyalty been defined according to (Brunner, 2008). Both behavioral and attitudinal approaches are essential behavioral approach which shows a loyalty of customer in which they always take service from the same company. Attitudinal approach is a behavior in which a person is satisfied with the company personally and also suggests about the products to others. In Laxmi Bank, I examined both behavioral and attitudinal approaches among the people, which is the main reason for the speed progress of bank in 16 years.

According to Yu-Qian Zhu's research journal, the findings is that for the customer satisfaction through the internet banking the fairness for the customers should be distributive, procedural and informational. As the gains the trust from internet banking the customers will be satisfied and trust acts as the main key mediator (Zhu, 2012). The main objective of this journal was explores about the mediators and the aspects that helps to satisfy the customers with fairness. In my report also

it shows that customers are satisfied as soon as they gain trust with the systematic version of the procedure, distribution and the information provided to them for online banking. It also mentions that fairness acts positively with the satisfaction of the customers (Zhu, 2012).

In Indian banking sector, the various dimensions like human behavior and information technology influences level of satisfaction of the customers. In this journal it describes about the importance of the quality of the services, convenience and price which has the direct relationship with the customer satisfaction. Especially in Rajasthan, who has lots of banking transactions they have account in at least 2 banks in with which they can benefit with one of the information technology-based services (Kaura, 2015). During the period of my internship, there were many new account opening by various people because the quality service and many price schemes and convenience for the transactions. As explained in this journal by the authors it actually happened in Laxmi bank. The services, convenience and price do have the relationship with the customer's satisfaction.

According to the research journal of Amudha Ramachandran, it examines the customer satisfaction on the basis of different perspectives such as waiting time of the customer to receive service and response to the customer complaints. The research found that many people closed their accounts due to slow banking services (Ramachandran, 2012). Customers will always aim to get satisfaction through quality service but along with customer satisfaction it also must be able to solve the problems in case of service failure. In Laxmi Bank, slow service was also one major complain of customers and this caused in certain decrease of customers.

According to Sanjit Kumar Roy's article on study on the impact of fairness on trustworthiness and trust in banking it conveys how fairness is an integral part of



any organization and mainly for a bank to maintain a good relationship with the customers. This article indicated how being fair increases the chance of increasing more clients into the bank and improves the aspect of the bank in comparison with other banks (Roy, 2015). This article is very much related to the report. As mentioned earlier, Laxmi Bank focuses on integrating customer values and improving customer satisfaction. Its mission is to deliver better quality service to the customers and being fair is its major responsibility it carries.



## **Chapter 3: Methodology**

### 3.1 Roles and Responsibilities assigned by the company

- Provide customers with the banks products and service information and transfer calls to the appropriate staffs.
- Making every attempt to sell the Banks products and services to prospective customers over the phone and in person.
- Identify, research, and resolve customer issues immediately using the bank operating systems.
- Recommend an ongoing process of improvement in the area of customer service.
- Responsible for issuance of cheque, statements, account enquiry, good for payment.
- Maintain, process, and update records and files and handle confidential correspondence and records.
- Maintain confidentiality records and files and handle correspondence and records.
- Perform miscellaneous support function with operational departments and special projects as assigned.

## **Chapter4: Results and Discussion**

### 4.1 Contribution of student made during the internship

#### 4.1.1 Customer Service Department

Customer Service Department is the help desk for customers in any organization. Customer Service Department mainly focuses on handling the queries of the customers. In this customer service department, it involves general banking services such as issuing and delivering the cheque books to the designated customers, providing account statements to the customers, delivering ATM cards, receiving and handling Account Opening Forms, assisting customers while filling the remittance forms and all other general functions. The contributions as an intern in this department are as follows:

- Handling the customer queries about their accounts and about various bank products such as fixed deposits, internet banking, mobile money service, fund transfers, etc.
- Providing suggestions to the customers about the bank products and services.
- Assisting the customers to fill the account opening form and remittance forms.
- Generating and providing statements and balance certificate to the customers from the software.
- Issuing the ATM cards.
- Destroying the old cheque books, ATM cards, and internet banking pins.
- Recording and filing the documents such as account closing forms, acknowledgement of ATM cards, cheque books, internet banking pins, etc. in systematic order.

- Keeping in records of fixed deposits, printing the fixed deposit slips, and handling the deposit slip to specific customers.

#### 4.1.2 Clearing section

In clearing section, it collects all cheques received by the customers of other banks and then are sent to clearing house for the exchange with the respective banks so that the customers receives their payment amount on time. My contribution in this department was for 1 week and I have performed the following activities:

- Informing about cheque bounce to the customers by making phone calls
- To check if all the cheques are properly stamped
- Arranging the documents that should be taken to central bank for clearing
- To collect and record the cheques of other banks in register

#### 4.1.3 Foreign Exchange Department

All the activities and processes of foreign exchange are done in Cash and remittance department. This department is responsible for exchanging foreign currency to NPR and NPR to foreign currency. I learn how to calculate and convert the different currencies to other currency by checking the daily exchange rate.

#### 4.1.4 Cash and Remittance Department:

In cash and remittance department, the one who is responsible for taking the deposits and making payments of cash is known as "Teller". Being an intern i wasn't allowed to make cash approvals and operation activities. But i examined and learnt the activities performed in this department in 2 weeks period such as:

- The process of transfer by LXBL remit (web remit), IME, City Express
- Transfer of fixed deposit interest into savings account

- Learnt the general process of payment of remittance amount, deposit and withdrawal transaction in Finacle software
- Assisting the teller when large transactions occur
- To provide the deposit/withdrawal slips of large transactions to the operation head in order to clear up the stacked transactions.

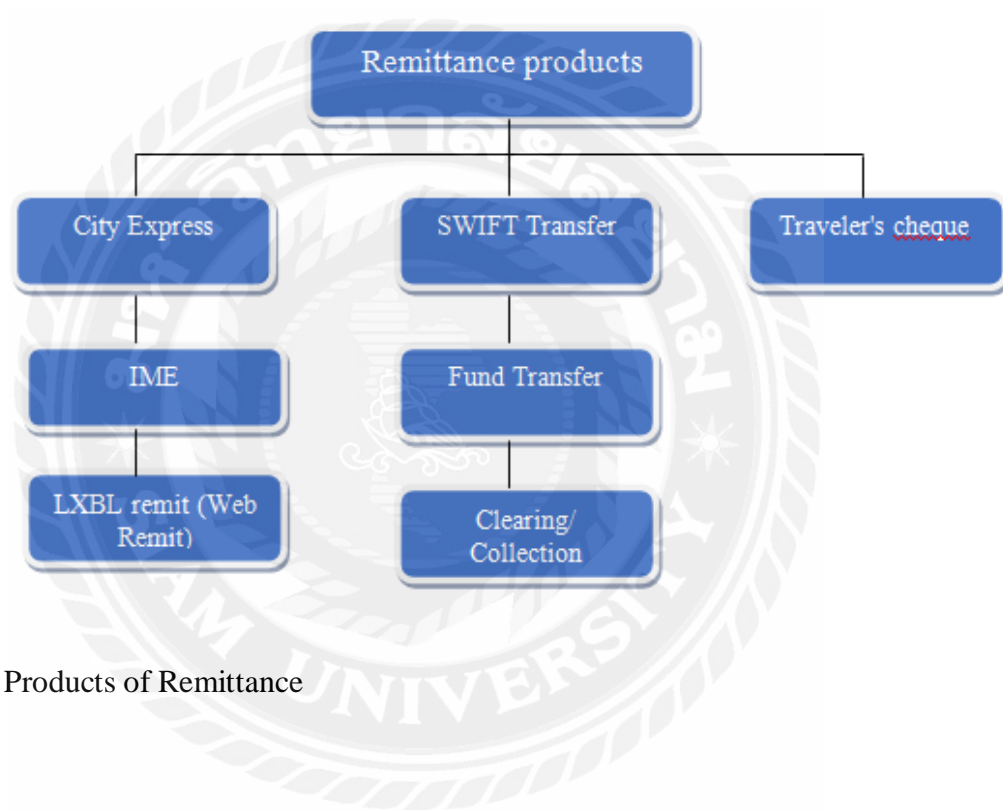


Figure 2 Products of Remittance

The general process of deposit and process of payment are as follows:

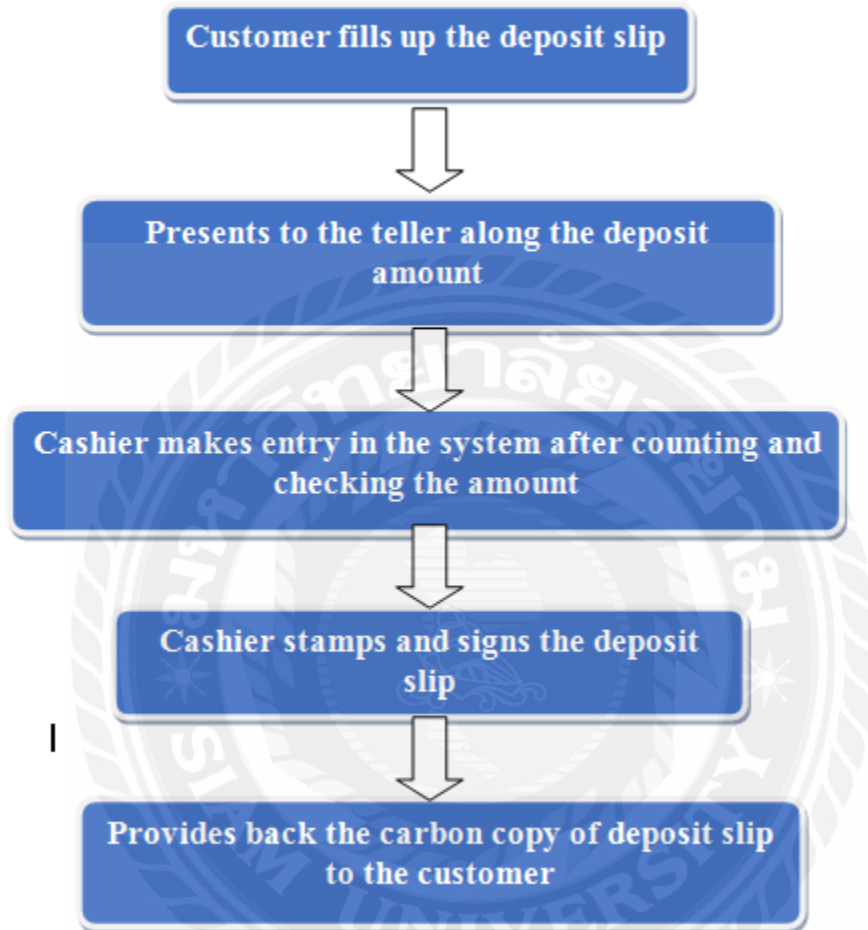


Figure 3 Process of Deposit

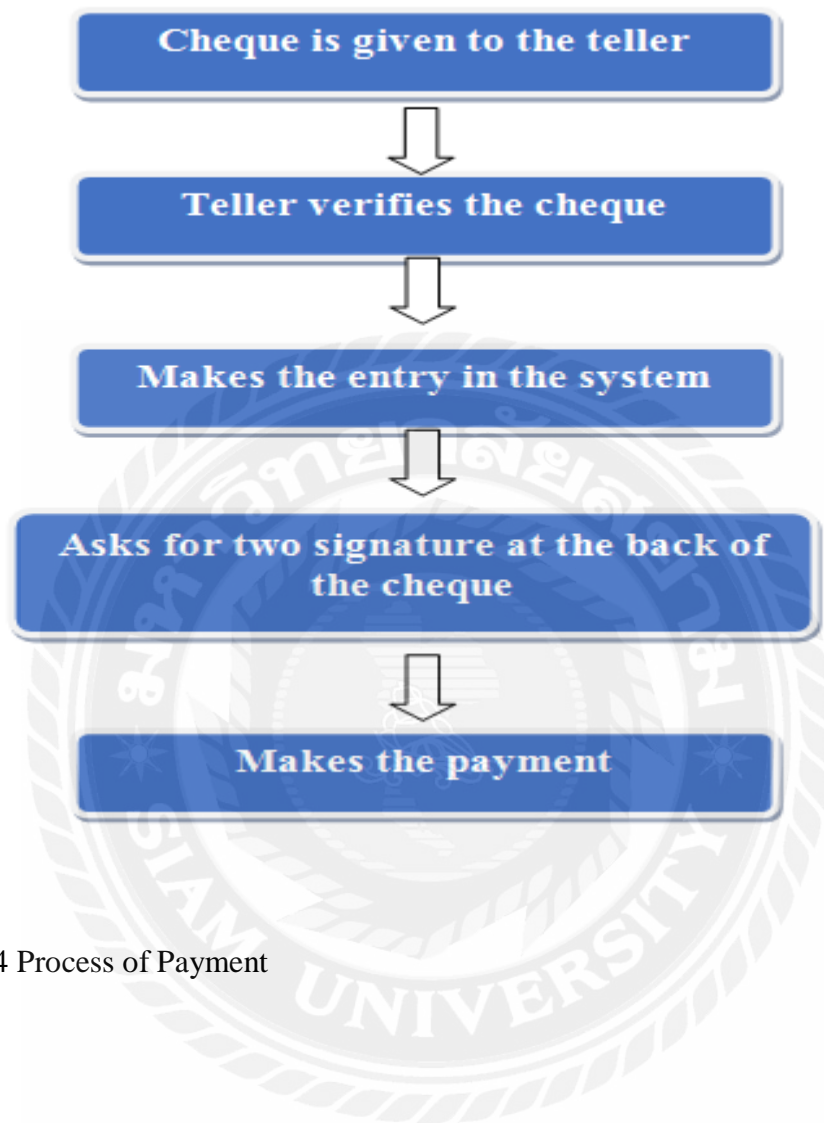


Figure 4 Process of Payment

#### 4.1.5 Credit Department

Credit department is a department where the customers visit when they need loans. They are responsible for providing different types of loan to the needy customers (Addae, 2014) Before providing loan by any banks, the banks consider on many things, as providing loan is the most risky function of a bank as there might be chances that the loan will not be paid in time and will return the full amount. So, the credit department analyses on various things and also discusses with the team and head before getting the loan approval. The department should check if the customer is making transactions with the bank, the customers type of business and their salary details to ensure if they can pay the loan in future, check the credit history that will track record for repaying debts. When the bank takes a loan, it determines how the borrower will repay the loan. If the customer defaults on the loan, then the bank options for collateral. As the banks take property and assets of the customer as collateral as a way to recover their loan in case the borrower fails to pay as planned. The bank will analyze customers' debt-to-equity ratio to ensure that if the customer can repay the loan. Banks consider it as a plus point when the customer has its own money invested in the business as the lender knows that if the business fails the owner will lose something too. Also the banks will consider many risks before lending the loan such as credit risk, interest rate risk, etc (Latham). As an intern I didn't work in loan department but the workers in LXBL were kind enough explain about the types of loan they provide and things to consider while providing loan. The major responsibilities of credit department are:

- To verify and check the collateral of the customer as an option if the borrower can't pay the loan.
- Inspect whether the loan will be recovered within the time.
- Authenticate the actual reason the loan is taken for.



- Also various site visits are done in different places to look for property and assets of customer.

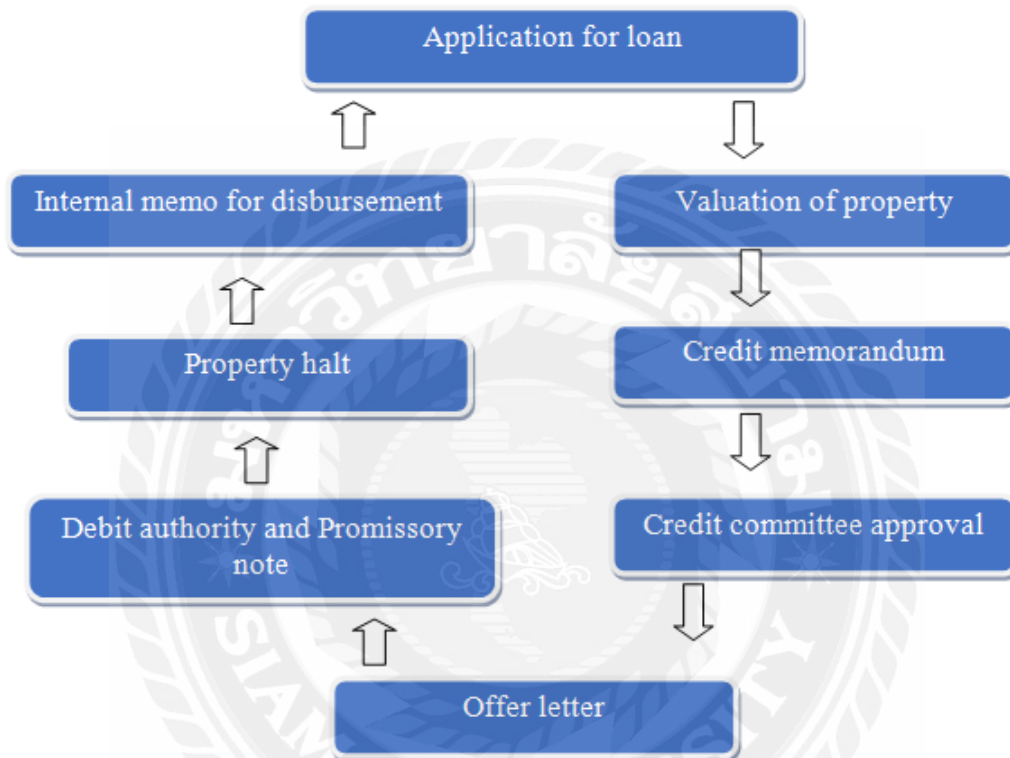


Figure 5 Process of Credit

## 4.2 Details of related learning process and new knowledge student has received

LXBL was a great platform to learn about the banking activities and services. I learnt about different products and services of Laxmi Bank and also learnt about the basic banking operation activities such as:

### 4.2.1 Account Opening process and requirements:

Any individual who fulfills the requirements while opening the account and also, the one who are capable to enter into the contracts are eligible. In addition, the bank opens account even in case of minors but they will be operated by guardians until and unless they turn to majors from minors. The accounts can also be opened by Foreigners which can be Personal NPR Account or Personal USD account. The basic requirements for different types of accounts are:

- ❖ Requirement for opening the personal account are:
  - Customer's name, gender, father's name, grandfather's name, mother's name, husband's name, occupation, type of income and other information required in account opening form
  - Identification document, i.e. citizenship or passport and birth certificate in case of minor.
  - Two photographs of account holder
  - Signature in the specific ATM cards and cheque books requisitions.
  - Utility payments bills are also required (i.e. NEA bill, water supply bill, Nepal Telecom bill, etc.)
- ❖ Requirement for Opening Sole Proprietorship Firm
  - Company full name and Address
  - Registration Certificate

- PAN
- Audit Report of Last Fiscal Year
- Recent Passport sized photo, Citizenship copy of the Proprietor
- ❖ Requirement for Opening Partnership Firm
  - Company full name and Address
  - Registration Certificate
  - PAN
  - Partnership deed
  - Audit Report of Last Fiscal Year
  - Complete KYC or CDD
  - Recent passport sized photo and citizenship copy of all partners
- ❖ Requirements for Opening Company Account
  - Company full name and address
  - Registration Certificate
  - PAN
  - Memorandum of Association (MOA) and Articles of Association (AOA)
  - Board Minutes related to Opening and Operation of Account
  - Audit report of Last Fiscal Year
  - Recent Passport sized photo, Citizenship copy of all BOD, Shareholder having 10% or more shares and Authorized Signatories
  - Complete KYC or CDD
- ❖ Requirements for Opening Club and Non Government Organization
  - Full name and address of the Club or NGO
  - Firm Registration Certificate
  - PAN

- Audit Report of Last Fiscal Year
  - Decision of working committee related to opening and operation of account
  - Recent passport sized photo, citizenship copy of all working committee and authorized signatories
  - Complete KYC or CDD
- ❖ Requirements for Opening International Non Government Organization
- Full name and address of the INGO
  - Registration Certificate
  - PAN
  - Copy of Agreement between the Organization and Social Welfare Council
  - Reference letter from concerned country or embassy of the country
  - Audit Report of Last Fiscal Year
  - Decision of BOD related to Opening and Operation of Account
  - Recent passport sized photo, citizenship copy of CEO, Board of Directors, CEO, and Authorized Signatories
- ❖ School or College
- Full name and address of school or college
  - Registration Certificate
  - PAN
  - MOA and AOA
  - Audit report of last fiscal year
  - Board Minutes to open account and Operation of Account
  - Recent passport sized photo, citizenship copy of all Board Members, Share Holders and Authorized Signatories

- Complete KYC or CDD
- ❖ Requirements for Opening Foreign Company
  - Company Full Name
  - Documents verifying the Company's address in Nepal
  - Documents verifying The Company's registered or operational address of the company
  - Firm's Registration Certificate
  - MOA and AOA
  - Approval and delegation of authority to opening and operation of account
  - Audit Report of Last Fiscal Year
  - Complete KYC or CDD
  - Recent Passport sized photo, Citizenship copy of two executive members, Directors, Representative for Nepal from the organization

#### 4.2.2 Saving Account

This type of saving account service is only for individuals. LXBL provides various types of saving accounts such as:

- Current Account
- Green Saving Account
- Orange Saving Account
- Super Women Saving Account
- Dhanalaxmi Saving Account
- Shakti Bachat Saving Account
- Sunaulo Bachat Saving Account
- Payroll Saving Account

- Manokamana Saving Account
- Minor Saving Account

#### Process of opening a new account

The Customer Service Department, receives the account opening forms and checks thoroughly if all required information are fulfilled or not. Then, all the information are inputted in the "Finacle Software" with complete information of customer with scanned signature and photo of customer. Then the documents go through various levels inside the branch for approval and verification. And lastly, the documents are taken to the operating head in Head Office for final verification and approval.

#### 4.2.3 Account closing process and requirements

Customer Service Department handles the Account closing process. There might be various reasons for people to close their account such as: personal issues, competition among different banks or in cases when someone is travelling abroad etc. It was very rare to encounter customers wanting to close their account in LXBL.

Procedures to close an account are:

Step 1: The customer is asked for the reasons for closing the account. Then try to convince not to close the account and explains to solve if they have any issues or problems with the service. Also, CSD explains about the benefit of the account and the charges taken for closing account.

Step 2: If the customers still are willing to close the account then they must fill up the form specifying the reason.

Step 3: The customer is then asked to return his account related belonging such as ATM cards and cheque book and then are submitted to the teller for further process of cancellation and destroy the cards.

Step 4: And finally, the account is closed and removed from Finacle Software with a certain charge.

#### 4.2.4 Preparing and distributing documents

Customer Service department is responsible for preparing and delivering various requested documents to the customers. These are the services provided by the bank which are provided on the request of customers such as:

❖ **Balance Certificate Distribution:**

Balance certificate is requested by either corporation who want to know the status of their account and present to Board of Directors or by customers who has to show their bank balance in embassy for travelling cases. The bank provides the certificate only direct to the account holder after the request form has been filled up and is submitted to CSD. The bank provides the certificate to the corporation if they present the request letter with the signatures of the members and the stamps of the corporation.

❖ **Cheque Book Distribution:**

Cheque books are requested by the customers by filling up a form and then, are provided to them in 2 days. They are informed about their cheque books through phone calls. The maximum amount customer can withdrawal from cheque book are 9,99,999 NPR and also, no charges are taken in the issue of library.

❖ ATM distribution:

LXBL has upgraded its ATM card from SCT card to Visa Debit card which can be used Nepal and India. The maximum balance one can withdrawal from ATM card is NPR 100,000. The card has validity for 4 years with a charge of Rs. 250 annually. The process of distributing the ATM card to the customer is as follows:

- Firstly, to issue the card the customer has to fill up a form and give to the CSD, and we have to verify the signature before issuing the card. The issue of card takes about 1-2 weeks.
- If the ATM card has arrived, it is informed through phone call to customers.
- The account holder must sign in two registers, i.e. ATM pin register and ATM card register.
- After, the signature is verified, then the card will be activated and ready to use.

❖ Internet banking pin distribution:

Internet banking is a service provided by the bank through which they can have easy access and update of their account through website. The internet banking usage requires their "Username and Password" for which they will have to fill a form. Customers will have to receive a pin for which they will have to visit banks. Through internet banking customers can issue cheques and ATM cards online, check mini statements, Recharge and Top-up and Fund transfer.

Laxmi Bank is a great platform to learn about the banking activities and various functions performed in a bank. Being a major in finance and banking, I see my career in banking sector. Working as an intern, I learnt



about the culture of LXBL, working methods of laxmi bank, however, the services and working culture might vary among various banks. In our studies, we learnt about the basic things about credits, deposits, etc. but through internship we learnt how these activities are performed in practical life and learnt to operate through systems which is the main source of activity.

### 4.3 Analysis of Customer Satisfaction and Customer Loyalty

#### Depending on the fairness of Services:

Laxmi Bank is one of the known banks in the banking industry. The specific branch I worked in was at Pulchowk branch and it is also among the crowded branches. Customer loyalty and customer satisfaction depends on the quality of services provided. There are total of 28 commercial banks in Nepal including Laxmi bank and in order to attract customers the bank must develop unique products. No doubt the product itself must be competitive, estimated right and provide superior value. But not only is the product but there are various factors that makes difference in customer satisfaction and customer loyalty. The services that our bank is mostly known for are mobile money, internet banking, Automated Teller Machine (ATM), cash and remittance service, etc.

For the analysis, we collected data through the means of questionnaire. The questionnaires were distributed to the customers in order to get sample opinions. There were 20 questions and the analysis and data presentation of the data collected is a true response from the customers. 50 questionnaires were submitted out of which only 45 were collected back.

The profile of respondents are:

Table 1 Profile of Survey Respondents

Age (Years)	Male	Female
15-25	7	3
25-35	12	9
35-45	3	2
45-55	3	3
55 and above	3	-
Total	28	17

The major findings and result of the survey are summarized below:

- Both males and females were active respondents during the survey collection
- Major of respondent were not satisfied with the service provided by the bank and their complaint were due to slow service and many errors in service such as: mistake in names in cheque book and ATM, error to login in internet banking, etc.
- Most of the people were satisfied with the mobile money and remittance facilities which made the work of fund transferring easier for customers and not satisfied with the ATM service because there were many case where the card of customers were captured by the ATM and also that bank took around 2 weeks to 3 weeks to provide the card to customers.
- Maximum number of people were satisfied with the rate of interest rate provided by the bank as the bank provides maximum rate of interest in fixed deposit and savings account compared to other banks.
- Many people prefer Laxmi Bank due to personalized service.
- Only 4 people out of 45 people responded on closing the account and transferring the account to another bank due to low satisfaction.

## **Chapter 5: Conclusion**

### **5.1 Self assessment as professionals**

In context of Nepal, Banking is one of the most growing industries and has a huge scope. Being a major in finance and banking, I got an opportunity to work in Laxmi Bank and got a chance to analyze it practically. The completion of Twelve weeks at Laxmi Bank Limited was very fruitful and gave me a professional experience as an intern. I worked along with 12 workers who were professional and experienced and getting to learn from them was very helpful for me which will later help me in my future. Firstly, I got to know about Laxmi bank's organizational culture and their work ethics. Professionalism, integrity, and good ethical standard are what they taught in Laxmi bank. Laxmi Bank is divided into several departments which indicate that it has systematic work division which helps to divide the task systematically and helps balancing the workload.

In 12 weeks, it helped me in developing my interpersonal skills and intellectual capability. Good interpersonal skills are prerequisite for many positions in an organization as people with good interpersonal skills are preferred in every workplace. Being in Customer Service Department, we need to bear a lot pressure, and Laxmi bank has taught me to cope with the pressure and still maintain a good attitude and behavior with the customers. Laxmi bank team come up with various ideas and schemes according to the growing market demand and trend and adopt according to the business needs which will help to attract the customers. A customer plays a vital role in development of every bank, so, a banker needs to have qualities such as being friendly, helpful, courteous, and patient as the customers must always be treated well, not only in banks but in every organization.

A bank's development has a major role of customers as the banks depend on 80 percent of the customer deposit. In professional life, competitors are our major risk so we should be able to stand out among all the competitions and for doing so we need to deal with every kind of clients. So, my experience in bank helped me in developing my communication skills which would be very useful in the future as an individual professional in this field. The primary skill in every field is the ability to persuade and convince, i.e. by having good communication skills. It has also developed my conceptual knowledge about the banking services. Laxmi bank have also helped me to work in pressure and how to motivate, promote one another and handling stressful situation. I also learned about leadership skills and how to lead a company or a group of team members. As a future professional, it is very essential to have leadership skill in the field of banking industry and Laxmi bank has helped a lot in developing such skills.

## 5.2 Comparison of practical VS theory

Berra (2008) said "In theory there is no difference between theory and practical. In practice there is." In theory or while learning we gain knowledge about many things but while putting our leanings in practical, only a certain part of the knowledge is used. While working as an intern I got to learn in depth about the banking services. As per the theories studied, what we learnt was based on the macro basis, i.e. functions of banking industry. Different banks have different work ethics, processes and their unique products but working in a specific bank helped me to know about their certain work.

While working as an intern I experienced a lot of different things of what I have learnt. In CSD, the work is very monotonous and is processed through the software, i.e. 'Finacle software, Makuri and Bank Smart' which was the new thing I learnt. But the fact that management theories certainly play a part but good communication skills were also required while working in a company. While working in an organization we have that concept that we have to do task assigned to us by our seniors but in reality we also have to perform task of other colleagues. Also, sometimes the employee working in a specific job description has to do some other works and should be able to function that work in every situation.

So while working practically we learned and develop various skills that we cannot achieve through theory education. There are several theories that we learn but never utilize. Theoretical knowledge is important but the knowledge is only complete when you practically work for it and implement it in real life.

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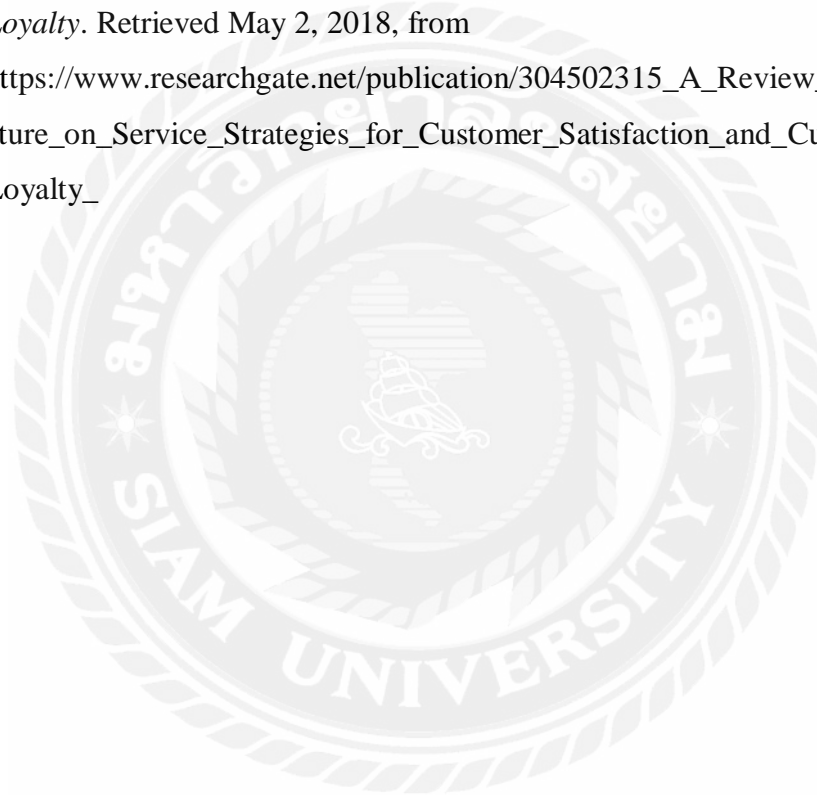
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## Appendix

### Bank Customer Satisfaction

Name:

Account Type:

Address:

Email id:

Q1. For how many years have you been using bank's services?

Q2. What type of account do you have in this bank?

Q3. Which of the following facilities do you prefer the most?

a. ATM facilities      b. Mobile Money      c. Internet Banking

d. Loan facilities      e. Remittance facilities

Q4. Do you think the bank offers reasonable interest rate for both deposit and loan?

a. Yes    b. No

Q5. Do you think the banks charge unnecessarily if you don't maintain the minimum balance in specific account?

a. Yes      b. No

Q6. Do you have account and use service of alternative bank?

a. Yes      b. No



Q7. Why do you prefer Laxmi Bank?

- a. Customer Service    b. Wide range of branch network
- c. Personalized service        d. Brand name

Q8. Rate how satisfied are you with the service provided by the bank?

- a. Very satisfied        b. Satisfied    c. Average    d. Dissatisfied

Q9. Do you always get quick service when you visit the branch?

- a. Always    b. Sometimes    c. Rarely    d. Never

Q10. Do you ever plan to close the account and transfer to another bank, because of the low satisfaction?

- a. Yes        b. No

Q11. Are you satisfied with the customer service of Laxmi Bank?

- a. Satisfied        b. Average        c. Dissatisfied

Q12. Would you recommend this bank to your friends, family, or employees?

- a. Yes        b. No

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