

ANALYSIS OF THE DEPOSIT SYSTEM IN THE BANKING SECTOR OF BANGLADESH

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Abstract

This research paper is aimed at exploring the deposit system and customer satisfaction level of banks in Bangladesh. Bank deposit is an old trend but still, it's running. A deposit account is a savings account, current account, or any other type of bank account that allows the account holder to deposit and withdraw money. I am trying to figure out the bank deposit terms, main features, monthly payment, and benefits through analyzing the merits and demerits of bank deposits in my research. I have found that a lot of the young generation are interested in bank deposit and some amount of people are not interested in long run deposit conditions. The study has identified Customer Satisfaction based on reliability, responsiveness, and assurance. Everyone needs security a life. Because of uncertainty, people want security for their families and ourselves. That's why people are more interested in bank deposits. These results will obviously provide some noteworthy information for researchers, financial analysts, and banking policymakers.

Keywords: Deposit System, Satisfaction, Banking Service, Regulation, Analysis.

INTRODUCTION

Bank deposits are a system that consists of one's money placed into a reliable institute for safe keeping. There are many kind of bank deposits like saving accounts, checking accounts and many market accounts. The depositor can withdraw the money in any time with terms and conditions. The benefits of this system are really good like you can save a lot of money with a fixed time, you can get interest money after a fixed time, you can pay money after one month or three months with a small amount etc. But there have some bad sites like if you want to withdraw your savings money you will not get the interest of the net amount of your money.

Bangladesh is an economical growing country. So deposit is a very popular issue in this time. Our life style is developing day by day and our demands are also growing continuously. As a result, deposit is compulsory to fulfill our demands. In this time almost all popular bank is providing us the bank deposit policy. And they are giving a good amount of profit after an established time. Some popular bank in Bangladesh are like Dutch Bangla bank, Southeast bank, IFICI bank, the city bank and many other bank are providing us the deposit policy with a lot of facilities.

LITERATURE REVIEW

A number of related literature was reviewed to identify research gaps in the proposed research area and to formulate a plan for conducting this research. Kabir et. al. (2013) In the article "The Effectiveness of Deposit Management at Islamic Bank Bangladesh Limited and Pubali Bank Limited: A Comparative Study" analyzed the comparative effectiveness of deposit management in Islamic Bank Bangladesh Limited and Pubali Bank Limited for the period from 2006 to 2010. In relation to the current deposit, term deposit, savings deposit, the total amount of the deposit, and

various deposit ratios. They found that there was a significant difference in deposit management between the two banks. However, the study also showed that there is no significant difference in the current management of deposits and the ratio of investments to deposits. This study found that Islamic Bank Bangladesh Limited had better deposit management than Pubali Bank Limited.

Johnston (1995) explored the factors of satisfaction and dissatisfaction in the article "Determinants of Service Quality: Satisfying and Unsatisfied". The main sources of dissatisfaction are integrity, reliability, availability and functionality, where responsiveness is associated with satisfaction.

METHODOLOGY

My primary survey was carried out mostly in young and young adult people. The survey questionnaire paper containing 10 questions, of which most of them were multiple choice questions and some self-opinion questions. The questionnaire contained mainly two parts- the first part containing some personal information and the second part about questions related to the Deposit policy. The questionnaires were successfully collected both in-person and online and recorded after completion. This study was conducted primarily on the basis of primary data collected through a questionnaire survey of 200 individual depositors using a convenient sampling method. The questionnaire was developed using a marketing book. This study examines the following factors for measuring depositor satisfaction: reliability, responsiveness, confidence, and empathy. For my secondary research, I collected most of my information from different banks website and those are BRAC Bank, Southeast Bank, Dutch Bangla Bank, and Bank Asia. I used search engines like Google and went to various sites relating to the Banking system.

DATA PRESENTATION AND ANALYSIS

The first question was to determine what type of gender is interested in the bank deposit? There were 200 participants in total and they took part in the survey. The largest number of people is men, about 66.7% of men are participants and about 33.3% of women are participants, with both men and women most interested in contributing their money. The second question was to determine what age people are interested in deposits. Age from 16 to 20 people less than interest on a bank deposit. People under 15 years old do not know anything about bank deposits. The young generation awareness their future. This percentage of people is 58.59%.

The third question was to determine the reason for their bank deposit. The highest percentages for Better future and new business among other options. About 60.60% of people invest their money in a better future. People between the ages of 20 and 30, such as university students, are very interested in saving money for their studies. This was not surprising as most people at this age 30 and above people thinking their future, as a result, they deposit their money for future. Some are thinking their children future so they deposit some money. In the fourth question, I tried to determine how long times people like to deposit their money. Surprisingly, 61% of those willing to invest their money for five years out of 100%. The ten-year bank deposit policy is liked by 28% of people; they are interested in investing their money for ten years. It's a long-term process, but people think about a better plan for the future.

In the fifth question, I was trying to figure out how much would be reasonable for people. For this question, about 50% of people are possible outcomes. About 30% of people are interested in

deposits of about 500-1000. This amount is reasonable for low-income people. Moreover, about 43% of people are interested in a pledge of approximately this amount of 5000-10000. In the sixth question, I tried to measure people's satisfaction with bank deposits. Most people answered this question as "Average". About 65% of people are satisfied with the bank deposit policy. About 10% of people are not satisfied with the bank deposit policy. But some people agree but do not completely agree with the bank's policies. But, about 5% of people are satisfied with the policy of bank deposits.

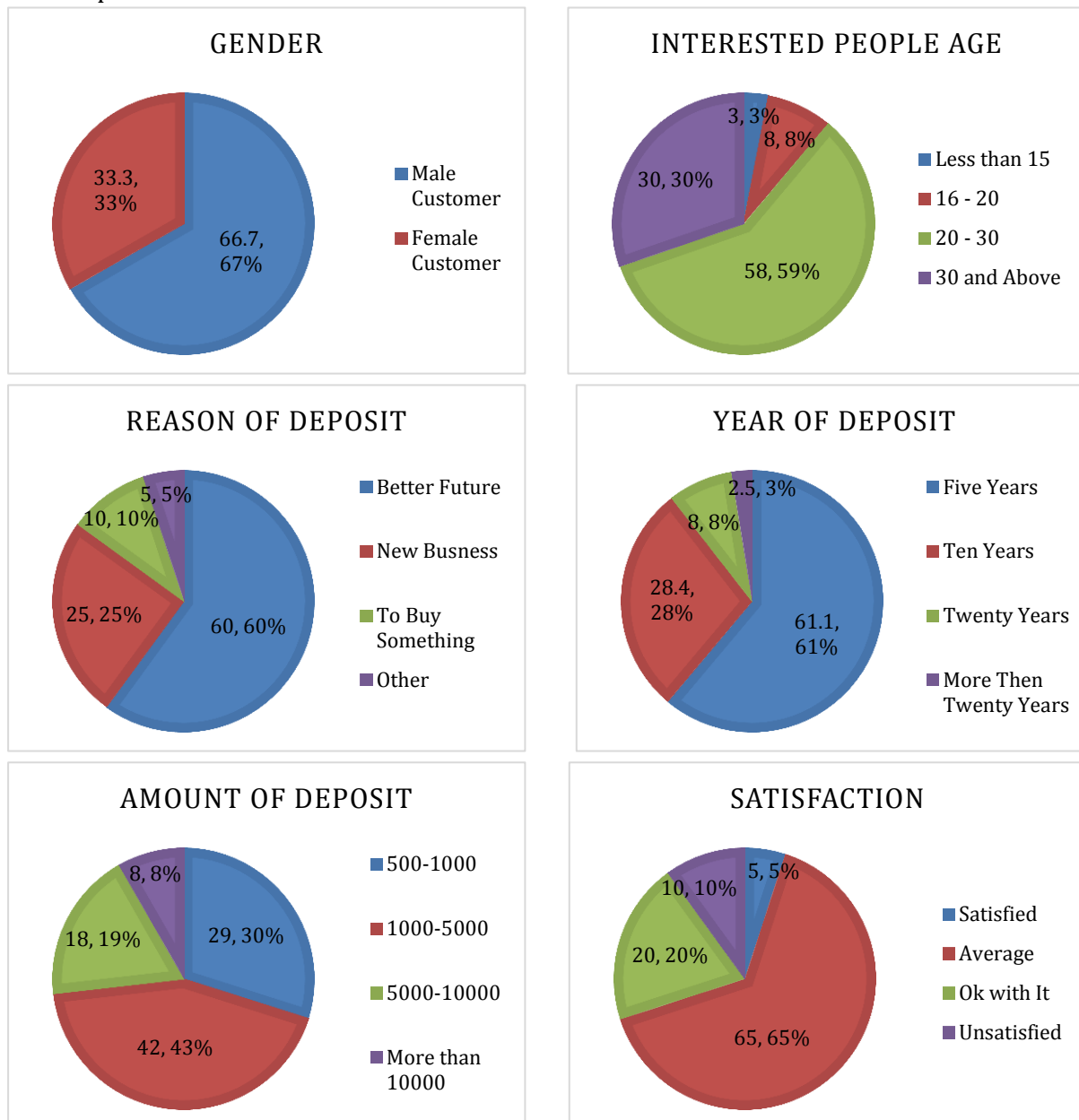
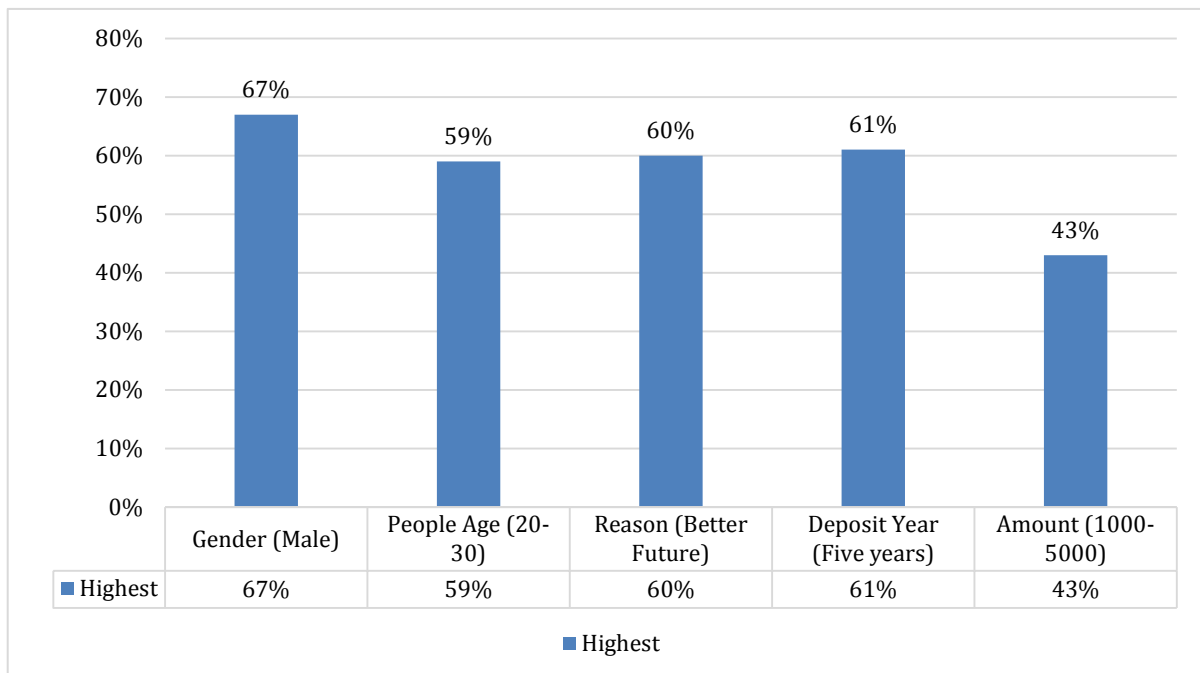


Fig. 1: Pie Chart of Survey Questions

SUMMARY OF RESEARCH FINDINGS

I believe that bank deposit is a well-known policy. From the research I found that most of the young and young old people are very much interested in deposit for their better future and start a new business. They are interested in deposit 1000-5000 taka monthly and the time duration is five years should be more comfortable for them. The average satisfaction level is 65% for the

deposit system. From the survey i got some problem that people faces, like monthly payment system and automatic closer system. Otherwise deposit is a very good system for people.



In our modern life everyone wants to live a comfortable and security able life. For young adult people they can save a huge amount of money after 10 years for their children’s education and so on. People can realize the fact of saving money in a reliable bank. Many people have got cheated by dishonest persons in the banking policy. In that case we should follow the government rules. We should also maintain the time policy. We all should also keep in mind that we are taking the best deposit policy in the best reliable bank.

We should not take too much monthly policy that we could not provide it timely. Even though the too much time limitation of the deposit policy. We should just take a minimum amount of deposit policy that we provide and can make our dream true. Based on the findings of the study, this study recommends that bank management be very careful, while central banks should be very careful to manage the amount of money deposited as well as the broad money supply. This study will provide some useful information for banks, investors, experts, and regulators.

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