

FACTORS INFLUENCING CUSTOMER VULNERABILITY TO FRAUD IN MOBILE FINANCIAL SERVICE

bKash Limited



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Submitted in Partial Fulfillment of the Requirements for the Degree
Bachelor of Business Administration



Date (7th January, 2024)

Internship Report Approval Form

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INTERNSHIP/PROJECT INFORMATION

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SUPERVISOR APPROVAL

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☒ Approved ☐ Not Approved ☐ Partial Re-write ☐ Full Re-write

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Name: WASIF NIAZ

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Date: 5th January, 2025

Letter of Transmittal

January 5th, 2024

Nazmun Nur Eva
Senior Lecturer, HRM
School of Business
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Subject: Submission of Internship Report

Dear Ma'am,

With due respect, I am pleased to submit my internship report as a partial fulfilment of our BUS499 Internship of 6 credit requirements for my BBA degree from ULAB for completion of my internship at bKash Limited in fall 2024.

This report is a reflection of my learning and experience accumulated from my internship in the AML & CFT Department, External and Corporate Affairs Division at bKash. It also discusses important issues of fraud in the MFS sector, including customer vulnerability and the effectiveness of fraud prevention strategies. The data represented in the findings are based on primary survey and some secondary data in which emphasis was given for accuracy and significance.

For completing this report, I have given my best effort with professional practice in every part as per the necessary guidelines. I hope this report meets your expectations. Working on the report was an incredible, eyes opening endeavour for me as I have not just got an opportunity for gaining work experience, but also learned from the university and the company for preparing this report on a significant problem.

Working under your supervision is something I am grateful for and under the guidance of my supervisor and my colleagues, I really enjoyed my internship period. I am very fortunate to have their insights and support in completing this report. I am requesting you to approve this internship report and please allow me to qualify for the defense and to complete my internship and BBA degree.

Sincerely,
Wasif Niaz
01718670232
School of Business,
University of Liberal Arts Bangladesh

Acknowledgement

I would first like to thank dear Almighty Allah (SWT) for blessing and guiding me on this journey at ULAB and successfully finishing my internship at a top company.

ULAB has certainly been an important cornerstone towards my academic journey and I have received tremendous help from the Administration, Department and Career Service Office to reach this point. My academic advisor, Mr. Shafayat Hossain Chowdhury, Senior Lecturer, has always accommodated me in each trimester for which I am grateful. I express my intense gratitude to my internship supervisor Mrs. Nazmun Nur Eva, Senior Lecturer, for the guidance and support, without whom I could not organize my report properly. She has provided me valuable counsel during this internship process. I appreciate our HRM faculties Mr. Oeshwik Ahmed, Mr. Muhammad Hasibul Hasan, Mr. Tasthekur Hossain Kowshik for their encouragement, continuous support and guiding towards proper direction.

As for bKash Limited, it was a wonderful and exciting internship duration for me at their office at SKS tower in Mohakhali. I would like to express my earnest gratitude to my Supervisor Mr. Mohammad Saiful Islam, Manager, AML & CFT Department, for guidance and supporting me throughout the duration of my internship and guiding me in preparing my report. I would like to express my deepest gratitude to Sajib Das for interviewing and selecting me among the finalist interviewee and giving me the opportunity to contribute to this top company. I also would like to extend my heartfelt thanks to my secondary supervisor Mrs. Rehnuma Tarannum Rashna for her unwavering support, guidance. and for making me part of the community of the workplace. I want to thank Mr. Karim Azmain Hassan Nahian for showing me and guiding me from day one. I cannot thank him enough for helping me through my responsibilities, involving me in various tasks and for grooming me to make good connections with everyone. I want to deeply thank all my fellow colleagues and team members for their unbound help and support during my internship at bKash.

Lastly, I would like to express my heartfelt gratitude to my family and friends for their constant support, understanding and without their help and support it wouldn't be as fulfilling. I would like to thank everyone who has supported me, whose knowledge, experiences and mentorship have made this possible.

Table of Contents

Part- A

Chapter-1: Internship Preparation.....	1-4
1.1 Motivation to do Internship.....	1
1.2 Internship Search Process.....	1
1.3 Interview Experience.....	2
1.4 About bKash Limited.....	3-4
Chapter-2: About the Internship.....	5-8
2.1 Roles and Work Description.....	5-6
2.2 Learnings, Skills Implemented, Skills Acquired and Contribution.....	6-8
2.3 Implementation and My Educational Learning.....	8
Chapter-3: Self-Reflection.....	9-10
3.1 Personal Internship Feedback.....	9
3.2 Internship Improvement Ways.....	10
3.3 Insights for Next Position & Recommendation for Company's Next Intern.....	10
Chapter-4: Personal Development Plan.....	11
4.1 Next Course of Action & Career Plan.....	11
4.2 Technical & Interpersonal skills I am willing to learn for future career.....	11

Part- B

Executive Summary.....	12
Chapter-1: Introduction.....	13-14
1.1 Research Title.....	13
1.2 Background of the Study.....	13
1.3 Problem Statement.....	14
1.4 Research Questions.....	14
1.5 Research Objectives.....	14
1.6 Significance of the study.....	14
Chapter-2: Methodology.....	15
2.1 Type of Research.....	15
2.2 Research Design.....	15
2.3 Sampling & Data Collection.....	15
Chapter-3: Findings and Discussion.....	16-19
Chapter-4: Recommendation.....	20
Chapter-5: Conclusion.....	21
5.1 Limitations and Future Research.....	21

Part- A (Internship Experience)

Chapter-1: Internship Preparation

1.1 Motivation to do Internship

At the end of the university journey, all students have to do an internship at a company or they have to do a project on a topic to fulfil the last 6 credits for the BBA degree. As a positive learning mindset student, I know the necessity of hand-on experience, and for that I was motivated for an internship because I would be able to apply my academic studies that I have learned during these years in a corporate environment. To be more precise, I wanted to get insights of how the academic applications that I have learned in my BBA courses and HR major courses actually align with a real organisation. The main reason behind doing this internship is to strengthen my capabilities for future job opportunities and also for my post-graduation. My target is to get a position at an organisation to build networks and create a foundation needed for a good career. It is must to say that my aim was to learn, understand and grow in a corporate atmosphere. I wanted to explore the ins and outs of the company, dive into its diversified operations and gain experience how it's like to work with different professionals.

1.2 Internship Search Process

Process for Application

To pursue an internship, I started preparation before the final exam week of Summer 2024. I continuously updated my cv (resume) with my previous experiences and formatted with the current standard that companies prefer. As an HRM intern, I desired to work in a leading company. Whether it's a Bank or other companies. I consulted with professionals within my networks who worked or currently working in different organizations. In my resume, I used my faculty's references who knew me and my capabilities well enough. At first, I searched for internship posts on so many Facebook pages. I applied for around 20 internship positions that align with my background. Also, ULAB's CSO forwarded my CV to different top companies including Akij group, Kazi Farms, Meena Sweets, bKash and so many more. I also applied for Mutual Trust Bank with a forwarding letter and CV.

1.3 Interview Experience

After a few weeks, I was called for interviews. The first ever Interview I was called for was General Pharmaceuticals Limited. It was a 2 phase interview. First two seniors HR officers interviewed me and asked few questions regarding Human Resources Management. After qualifying, I was called for second phase, which was conducted by The Head of HR. I was a bit nervous as it was my first interview. The second company called for Interview was Kazi Farms. On the day of interview, first I had to pass a written exam. Then I was called in interview room for assessment. In the interview they asked me about my strengths and weakness, HR functions and tools etc. I was getting due to starting internship as Fall 2024 started on October 14. Afterwards, Mutual Trust Bank's HR called me and provided me offer letter without an interview as my qualifications met their requirements. While going to take offer letter at MTB Gulshan head office, I attended a formal interview at bKash at SKS tower, Mohakhali. During the interview I was confident that time. I explained all my previous experiences, my volunteering works, workshops and trainings. The interview at bKash went very well. The internship at bKash would be PR internship.

Selection of Organisation

I started my internship at MTB in Mohammadpur Branch as it was my only option at that time. I started working there and got familiar with the environment. I was getting to know the bank's culture. I got to know about Debit and credit card registry, photocopies, scanning and other operational activities. On the end of the first week at MTB I suddenly got called from bKash and offered me an opportunity for an internship. I was confused that moment. As bKash had a brand value and is the leading Mobile Financial Services company, I switched to bKash on the next week. I collected forwarding letter from CSO for bKash and on the same day I submitted an apology letter to the MTB Mohammadpur Branch Manager. With the procedures and documentation, I officially joined bKash as intern.

1.4 About bKash Limited

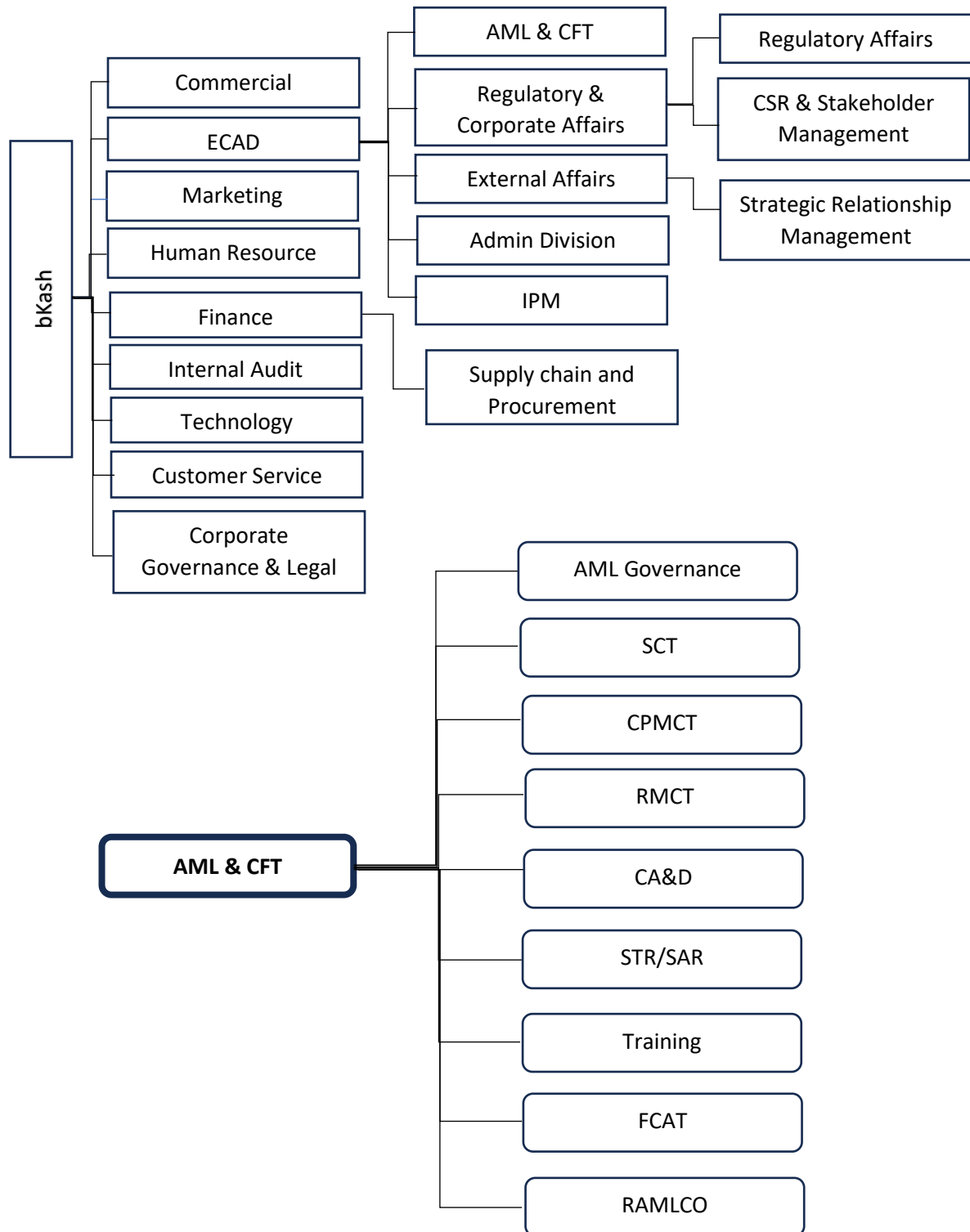
History & Investors: bKash is a word that reflects development, prosperity of people, and the growth of both social and economic aspect. bKash was founded by Kamal Quadir and Iqbal Quadir and was launched in 21st July, 2011. They started as subsidiary of Brack Bank and joint venture with Money in Motion LLC. They partnered with mobile operators for wide spreading across the country including urban and rural areas. During April 2013, World Bank Group's member International Finance Corporation (IFC) became equity partner. In March 2014, Bill & Melinda Gates Foundation also became company's investor. In April of 2018, Ant Financial (Alipay of Alibaba Group) also became a partner. In November 2021, digital P2P payment provider MoneyGram International Inc. has integrated with bKash for receiving global real-time funds and became a one-stop solution. Afterwards, in early of 2022, investment of \$250 Million was made by SoftBank Vision Fund II.

Vision & Mission: CEO Kamal Quadir had the vision of creating secure, convenient platform to ensure access to broader range of financial services to the country's population and empowering the unbanked people. the mission is to develop solutions for mobile financial service on a high scale which will enable safe money transfer, reliable, faster and one stop solution.

Product & Service: Their initial basic services were cash in, cash out, send money and they increased their services as time passed by. They introduced loans, Remittance, Payments, bill payments, Bank and bKash transfer, education fee, Insurance payments, Donations, Savings and so many more services. They have redefined people's money managing, easier financial transactions and more accessible for mass population of million people.

Some Achievements: bKash is the first company to implement Blockchain technology in their system. Now, they have reached customer base of 7 crore. Over 330,000 agents and 8 lakh merchants are facilitating financial service to the huge customer base across the country. In December, 2024 bKash was named best brand of 2024. bKash has received accolades, Visa Payment Excellence Awards in 2024. Additionally, the company achieved valuation that exceeding \$1 Billion, as a result it became Bangladesh's first fintech Unicorn. Even though bKash went through different losses, every year their profitability is increasing rapidly.

Core Management Structure of bKash Limited:



Chapter-2: About the Internship

2.1 Roles and Work Description

I was offered as an intern at CPMCT (Compliance Process Monitoring and Control Team) of AML & CFT (Anti Money Laundering & Counter Financing of Terrorism) Department of ECAD (External and Corporate Affairs Division). It was a non-paid 3-month duration internship at SKS tower, Mohakhali. I was taken in along with other interns at different departments and teams. There are also other teams- SCT (Strategic Compliance Team), FCA (Field Compliance Assessment), Training team, SAR/STR (Suspicious Activities/Transaction Reporting), RMCT (Risk Monitor & Control Team). There were several inductions from every team so that I can understand how all teams operate. I was given a hand note of Bangladesh Financial Intelligence Unit (BFIU) and Payment System Department (PSD) which was provided by Bangladesh Bank for Regulations and Compliances. The system, procedures, regulations and compliances outlined very well in these notes and must be strictly maintained. I was given a official laptop and I work with CPMCT I have to do works related to compliance.

- After rigorous trainings, I was assigned to do Personal E-KYC verification. Reflecting on the Personal KYC Quality Check guidelines, I have to verify and accept or reject accounts based on whether a customer is real, providing all necessary information, using own identity and is not using fake. I did around 2900 e-KYC verification within 3-4 weeks. I found several unique cases also where fake customers were detected.
- Afterwards, I was trained for Youth KYC verification for customers of aged between 14-18. It was more complex as Birth certificate is not sufficient for identification of youths. Because the Birth certificate does not provide the photo of the BC holder, the verification was more complex than personal KYC QC. I was also trained for Agent and Merchant QC.
- I along with other interns in my team helped the senior officers and line manager to prepare monthly report.
- All the Interns had to present on different interesting topics in front of Head of Department, Saber Sharif and the topics were selected by him. He provided positive & constructive feedback to every intern and guided for careers improvements.
- I got the opportunity to attend Bi-annual AML & CFT seminar 2024, It was a very insightful 2 days seminar where regional officers, Field compliance officers from country wide attended the seminar. On the second day CEO Kamal Quadir and CAMLCO Major General Sheikh Md. Monirul Islam

gave their valuable speech. As an Intern, I got the privilege and volunteered for photography of the seminar.

- I also helped the Training team to verify the quality check of the trainings sessions and workshops that was conducted countrywide in different regions to the officers and stakeholders.

Office Environment

AML & CFT department where I was assigned was located in SKS Tower on level 5. On the floor There are other Two departments – Customer Service and External Affairs. The whole floor was so big and all the departments were divided with block like arrangements. On the 11th Floor the Commercial Department is located and on the 6th floor Product and Technology department is located. To enter, there is always security guard standing and employee had to pass security punch machine with a company's ID and I had my temporary intern ID. The whole area is aligned with desks for employees and every desk of the employee reflects a personality of the employee as they can organise their own stuffs how they want. The desks are so close to each other so employees can communicate with each other whenever necessary. There are several meeting rooms at two ends of the office floor with unique names like Teesta, Kornofuli etc. At the end of the floor there is an individual office for Head of the department & DCAMLCO, Saber Sharif.

In the morning, staffs serve everyone a coffee on their desk to kick the morning buzz. At the middle end, there is a cafeteria where lunch is provided with 3 sets of items. Employee and interns can choose only one set of items. After half an hour of lunch everyone is served tea.

The employees at bKash are very friendly and helpful. I always get support from my CPMCT team whenever I have confusions. During all these times they have always trained me how to perform my tasks correctly. Everyone don't have indulge in work whole day, sometime employee from different teams gossips and laugh together about various things. Everyone respects each other and the environment at bKash is what many job seekers wants to be at.

2.2 Learnings, Skills Implemented, Skills Acquired and Contribution

- **Things I learned-** During my internship I got to learn a lot of great things. I learnt about:
 - Appeared in formal interviews which is a lot different than university.
 - To work, interact and productively communicate with seniors and colleagues.
 - I got to establish networks with professionals, as an outcome, I've LinkedIn connections which is valuable.

- Appropriate dress-up and etiquettes for corporate environment.
 - Proper time management and maintaining discipline.
 - Learned about functions and operations of a fintech company, efficiently handling tasks and they have monthly KPI's that all employees have to maintain. Learned their functions and how they have implemented a strong regulations and compliance management.
 - I also learned how they organize and manage big events like seminars, how they discuss, take notes and communicates collaboratively and constructively.
- **Skills employed in carrying out tasks-** The skills that I already had which came into play at my workings includes:
- Academic knowledge of Business Communication which includes one on one communication, through phone calls or emails, etiquettes for communicating professionally etc.
 - Previously I did a course on MS Excel from Brightskills which was offered free through ULAB Digital Marketing Club's membership and that Excel skill came in handy when I started my internship at bKash. My work is based on Excel's spreadsheets.
 - Previously I was above-average presenter and was good at making power points. I made a professional clean PowerPoint slides to present in front of head of department.
 - The groupwork that I used to do in courses helped me to do better in my teamwork capabilities. I had my own portion of works that I accomplished with discussion along with team members.
- **Skills Newly Acquired-** During working, through my internship I got the following skills:
- Presenting more professionally, making PowerPoint cleaner and simpler.
 - Mailing professionally on Outlook to my reporting officer about my daily task.
 - I along with other interns were trained day long on advance MS Excel so that we can use the tool more efficiently.

➤ **My Contributions to The Company-** During my time at bKash, I made some contributions that benefitted the company such as:

- Helped in verification of Personal KYC account's Quality Check. As there are currently 7 crore people using bKash as their mobile financial service, verification of their accounts is a must for the AML & CFT department. So that, People do not abuse bKash's services in any way.
- After personal KYC, I was assigned with youth KYC verification which was more complex as Birth Certificate is not sufficient for providing user's information. I helped in 500 youth KYC verification that would include in my line manager's report.
- I was a photographer in bi-annual AML & CFT Seminar. I photographed group photos of CEO, CAMLCO and other key person's photos. I captured team photos of the department and also captured the moments of speakers and Q&A discussions.

2.3 Implementations of My Educational Learning

From my university's BBA education's learning was highly relatable and their implications had a great impact during my internship without any doubt. The sessions of 'Skills for Career' from CSO and 'Career Vision' by Gholam Sumdany Don helped me grooming for creating CV, Interviews, corporate environment, how I can communicate better, my dress up, etiquettes and other aspects. Courses like BUS205 Business Communication helped to amplify my capabilities to communicate professionally through phone calls, messages and emails. From BUS209-Organizational Behaviour, I could relate to how personality, attitude, ethics can influence job satisfaction, also I can relate how teams work. I can relate how personality and values can ensure Person-Job Fit in an organization. I can also relate HoD and Line Manager's leadership traits and attributes that I had learned from my academic courses. Employee motivations is related from HRM courses. Even I can relate how the HR of bKash was recruiting, interviewing and selecting fit interns for the company and also how they are evaluating interns. How HR Managers, managing this huge company that I can relate with my HRM courses. I also observed other aspect as well. Company's Law is related to Business and Legal Environment.

Chapter-3: Self-Reflection

3.1 Personal Internship Feedback

The internship that I was doing was a wonderful lifetime experience. In my opinion bKash has a great reputation and the branding it carries is very rare that not many other companies hold. Not just only to the customers but also to its hard-working employees. There is a belonging feeling to its employee. Every one feels the company as big family. I was fully satisfied and with my duration and I got a strong foundation there.

Likes: Things I like about bKash are:

- **Innovative Environment:** As all high talented people works in the company, everyone has a great contribution which drives innovation in every aspect.
- **Company Culture:** The culture of bKash is unique. It is more similar to flat organization where everyone is more friendly and no one is ego centric.
- **Helpful:** Everyone in the office seems so helpful. They never refused to help in any way whenever I asked for something.
- **Networking:** I had the chance to connect with professionals which might help me in my future career opportunities.
- **Lunch and food system:** The food catering and coffee servings are very satisfying and having lunch facilities are very good. There are offices where lunch is not provided and have to search for food in the area. Whereas bKash's lunch facility is way better.
- **Collaboration:** Every team in the department works collaboratively where I have learned how professionals perform teamwork in such a dynamic workplace.

Dislikes: The things that I found difficult about the internship are:

- **Repetitive work:** The works and task I do in the office involves routine activities. Doing the same things sometimes get monotonous, though the works incorporates learning opportunities.
- **Challenging workloads:** fulfilling daily targets and expectations enabled me to develop time management and stress handling capabilities. While the pressure might get intense but it is valuable in a fast-paced environment.
- **Focused learning scope:** My role mainly involves KYC quality checking which helped me build up my foundation in process of compliance. Expansion of responsibilities into diverse tasks could enrich the internship and overall experience.
- **Recognition and fairness:** I observed, some interns like bNext interns receive additional recognition. Making sure to acknowledge equally for every intern could foster motivating and inclusive environment.
- **Demanding hours:** Working in fintech industry's nature sometimes require extended working hours. Which has also taught me to be adaptable and to be resilient. A balance of work and personal time could enhance productivity, enhance engagement and satisfaction.
- **Limited decision-making opportunity:** As an intern, my responsibilities are limited which is understandable. However, providing interns some opportunities for creative contribution or share

3.2 Internship Improvement Ways

- **How I Could do better:** I could do better from my position in several ways:
 - I could be more proactive in my learning like doing things beyond my assigned task. Explore trends and gaining in depth knowledge and asking deep questions.
 - I also could build strong relationships with officers better, rather than just doing conversation regarding tasks only. I also could ask for feedback regarding my performance which could help me to identify my area of improvement.
 - I could be assigned for solving complex problems which could add value in the team and could improve my critical thinking ability. If I could get to read various reports and other information that would help me to get deep insights. I could have been assigned for different tasks which could have help me gain more experience.
- **How bKash could utilize me better:**
 - They could assign me more diversified and challenging task which would enhance my skills and interests. As a result, I would be more motivated and engaged in my work.
 - They could involve me in a project so that I could meaningfully contribute and gain experiences.
 - If I could get my recognition through my contribution that would boost my confidence, encourage continued effort.

3.3 Insights for next position & Recommendation for company's next intern

Upon my completion of my internship there are several things that I want to work on for the next position of my career. I have primarily worked with ECAD and had limited interaction with another division. I am considering opportunities for HR department as HRM is my primary background of my BBA degree. In future I would focus on working in the HR department, as I have good knowledge in my subject. I would be implementing my knowledge in real life when I get a position in HR department in the future company that I will be working with.

Also, I want to deepen my analytical skills so that I can get insights from large sets of data for making decisions. I also want to strengthen my communication skills so that I can present my findings concisely and clearly to the diversified audiences. I would want to broad my Industry knowledge so that when I will be working in a company, I have the clear idea of that Industry and other functions. I want to develop leadership skills so that I can take initiatives for management of small projects and also, I can mentor my future team members. I would also like to enhance my technical expertise.

As for some recommendations on how bKash can improve its internship program, I would like to mention some aspects. There could be a structured onboarding program where details about roles and the department and hierarchy of the department and organisation will be mentioned. There could be one on one sessions for feedbacks for performance and improvements. Assigning interns to meaningful projects where they can directly contribute for the goal of the team. I only worked in CPMCT and If I could get a chance for exposure or work with another team like STR/SAR, RMCT, SCT, Training or other teams, that would enhance my knowledge and experience.

Chapter-4: Personal Development Plan

4.1 Next Course of Action & Career Plan

- **Short Term Goals:** Within 1-2 years I have several plans for myself. After my graduation I will be searching for a job that will be best fit with the skills and capabilities that I have. I want to enhance my soft skills. I want to have my own driving licence as it is necessary to have my own bike so that I can go to my office with ease. If possible, within 6 months to 1 year, I might enrol for Master's Degree along with doing my jobs. I will attend career fair, workshops or seminar for expanding my connections with professionals. I want to be more disciplined and maintain a healthy work life balance. I will be doing regular workout and exercises to keep myself fit. I will also improve my habits for reading and I want to read at least one professional development book each month.
- **Long Term Goal:** I want to secure a position for HR role in a good company and I want to be a Human Resource Executive within 5 years. In future I want to gain exposure in Global HR practices through international HR seminar. I want to advanced HR tools so that I can align myself with evolving tech requirements in HR.

4.2 Technical & Interpersonal skills I am willing to learn for future career

There are several skills that I am willing to learn for my future career:

Interpersonal skill: Enhance my soft skills like communication, public speaking, critical thinking. I want to improve my interaction with others so that I can perform better in a team. I want to understand the human psychology so that I have a better emotional intelligence as a result I will be able to build positive relationships with my colleagues and also in my personal life. I want to be a good negotiator so that I can set salary discussion, resolve conflicts in workplace, and manage expectation of stakeholders.

Technical Skills: as I am developing skills in my Graphics Design, I want to make it my passion and excel on it in the future. I want to be a freelancer through my graphics designing skill in the future. I want to learn HR tools which will help me in the future for employee assessment, HR analytics, workforce planning, training programs. I want to gain knowledge on compliance so that I have better understanding on labor laws, legal standards, and other aspects.

Part B (Research Segment)

Executive Summary (Abstract)

The research titled “Factors Influencing Customer Vulnerability to Fraud in Mobile Financial Services (MFS)” explores some critical aspects of fraud in this rapid growth of MFS industry in Bangladesh. As the reliance on digital financial transaction platforms is increasing, fraud has become a headache and serious concern for both the customers and service providers.

This research aims to achieve two main objectives:

1. To identify the factors that influencing customer vulnerability to frauds using MFS;
2. To analyse the effectiveness of fraud prevention strategies adopted by MFS providers.

As this is descriptive research but some elements of exploratory study are also done in this research. Through a quantitative research approach, data was collected from both MFS users/customers (including fraud victims) and compliance officers working at an MFS (bKash) through two different structured set of questionnaires, via Google Form survey. The results of the analysis from the surveys of the customers highlight a number of important factors that make customers vulnerable such as, lack of awareness, digital literacy lacking, getting trapped by alluring offerings, neglecting verification of details before making transactions and others.

Furthermore, findings from the second survey revealed that MFS providers implement various fraud prevention strategies like customer education campaigns, compliance monitoring, automated monitoring systems, manual reviews, customer reports, transaction monitoring. But faces challenges like low technological advancements and low customer cooperation.

This study highlights the significance of the development of enhanced mechanisms for fraud detection and customer education programs, and collaboration of stakeholders in efforts to counteract fraud. To ensure prevention of fraud, MFS should innovate AI based fraud detection, continuous training to the compliance officers and customer service, build up internal coordination and strengthen compliance frameworks.

The study’s insight holds practical implications which are relevant for the MFS providers, regulatory authorities, customers and this research offers actionable strategies for building a safer and secure financial ecosystem. Despite few limitations to the study- a small narrowed sample size, absence of deep insights, focusing on common frauds, the research provides base for further studies, emphasizing the value of proactivity for MFS fraud prevention.

Chapter 1: Introduction

1.1 Research Title

“Factors Influencing Customer Vulnerability to Fraud in Mobile Financial Service”

1.2 Background of the Study

For the past decades Mobile Financial Services like bKash, Nagad, Rocket has brought revolution into the financial transactions in the country. MFS offers convenience, cost-efficiency and accessibility to the mass population of Bangladesh. Through the fast growth of MFS companies, Customers are being able to do transactions like transferring money, paying bills, and purchasing goods and services through their phones as a result mass people are having access to financial service especially to the unbanked population. Bringing MFS to the population has created huge problems and significant challenges especially in aspect of fraud. Fraud through MFS has become a big concern for many people as scams are increasing through various schemes.

MFS industry is facing significant financial and emotional risk regarding of fraud, which decreases trust in digital financial systems. From recent studies, incidents and reports shows that losses due to fraud in financial services are rising at an alarming rate, and in developing country like Bangladesh, digital literacy is highly variable. With the moving forward to cashless society in Bangladesh, it is a must to understand the factor which leads to customer vulnerability to fraud in order to ensure customer’s protection and sustainability of MFS platforms in long run.

Technical and operational issues of MFS platforms have been identified by so many previous research. Several studies can be found on system flaws, account breach, and even lack of customer awareness. While there are many fraud prevention strategies and system design, the behavioural, patterns and situational and systematic factors leading customers to fraudulent incidents have not been fully understood.

While technical aspects of MFS fraud are well studied, but there is little research on broader aspect of customer’s vulnerability. Areas that are unexplored includes patterns of behaviour, awareness levels and their trust in MFS that could help us better understand why some customers are more prone to fraudster than others. The gap is bridged by this study which identifies factors that influence customer vulnerability to fraud in context of MFS in Bangladesh.

1.3 Problem Statement

With the rapid growth of using of MFS has accompanied a surge of fraudulent activities targeting MFS user. There are several fraud incidents like taking money with the name of stipends, attractive offers, social engineering, Phishing so many unique techniques fraudster innovates and these are the most common ways to victimise customers, especially who are not aware or digitally literate. Even sometimes celebrities get scammed and unfortunately becomes fraud victims.

Even though MFS providers have used several efforts to prevent fraud, it is unclear whether the strategies and actions are effective. This research emphasis on this problem by looking into the factors to gain insights that can help developing more effective fraud prevention strategies and financial security.

1.4 Research Questions

For planning and designing my research, I have set the following question for investigation:

1. What factors contribute to customer vulnerability to frauds in Mobile Financial Services (MFS)?
2. How effective are the fraud prevention strategies currently implemented by MFS providers?

1.5 Research Objectives

for my research the objectives of the study will be as follows:

1. To identify the factors that influencing customer vulnerability to frauds using MFS.
2. To analyse the effectiveness of fraud prevention strategies adopted by MFS providers.

1.6 Significance of the study

This research will improve the understanding of factors that leads to customer's vulnerability to fraud and fill up the gaps of existing literature. The findings might help the MFS providers to design more effective plans for preventing fraud which will improve trust and safety. This study also aims to reduce frauds and to protect hard earned money of customers and provide greater financial security. Insights from the study can also support regulators and policy makers for creating guidelines for fraud minimization.

Chapter 2- Methodology

2.1 Type of Research

The research that I am doing is primarily **descriptive** as the main objective of the research is to describe the factors that are influencing vulnerability of customers and to assess the effectiveness of fraud prevention strategy.

Also, there are some elements of **exploratory** research also. As the MFS is growing but not studied well in this domain, this research will provide new insights into customer behaviour and company strategies. This study will cast light on possible holes in existing fraud prevention strategies and points to areas of improvement.

2.2 Research Design

This research is mainly based on **quantitative** data and structured surveys through predefined questions was conducted to collect quantifiable data.

The research was be conducted with two types of survey questionnaires for two objectives. One of the surveys were conducted to customers who are using MFS services for fraud awareness. Another survey questionnaires were conducted to the compliance officers at bKash for assessing the effectiveness of fraud prevention strategies.

The rationale of this research is, the reader will get to explore the factors of customer's prone to fraudulent activities and also effectiveness of fraud prevention. Also, through highlighting the critical areas, MFS providers can improve security measures.

2.3 Sampling & Data Collection

For Sampling, I have used **convenience sampling** for collecting 35 Customers response who are using bKash (or other MFS) for a customer-based survey questionnaire. For Fraud prevention strategies, 20 Compliance officers at bKash was surveyed with **purposive sampling** through another set of questionnaires. For **collecting data** in my research, I used the following sources:

➤ **Primary Data:**

- Structured questionnaire was provided to MFS users through google forms to understand customers awareness regarding fraud
- Structured questionnaire was provided to Compliance officers of bKash's AML & CFT and External Affairs department to assess the effectiveness of fraud prevention.

➤ **Secondary Data:**

- Research reports, websites, news articles on fraudulent activities were analysed for supporting the research.

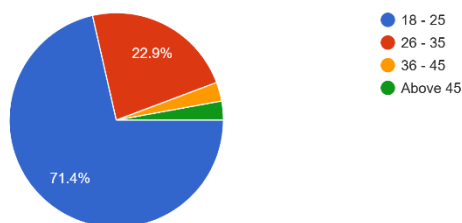
Data Analysis: Google forms analytics and Spreadsheet Charts were used for analysing the data.

Chapter 3: Findings and Discussion

In my research and surveys, I have found valuable insights which helped to understand customer's various aspects of experiences related to fraud and awareness level related to MFS.

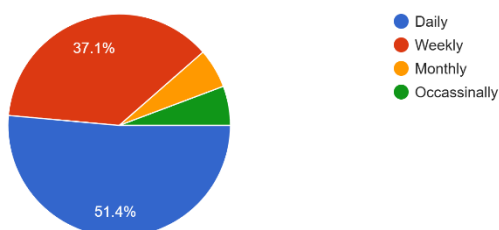
A) Customer's Vulnerability to Fraud: In this section I analysed the customers perspectives on their vulnerability to frauds.

1. Your age?
35 responses



The people I surveyed mostly includes people who are young and aged between 18-25 (25) with a percentage of 71.4%. Others are 26-35 (8) with a percentage of 22.9%. One of them was middle aged and One of the user is above 45 years old. Here majority of the respondents belong to the young aged. Majority, 74.3% of them are with undergraduate or at the stage of bachelor degree. 25.7% are with post graduate degree.

3. How often do you use MFS (bKash, Nagad, Rocket etc.)?
35 responses



half of the people of sample use bKash or other MFS in their daily basis. 33.3 % uses weekly and 6% (2) people use MFS on monthly basis. Others uses rarely or occasionally.

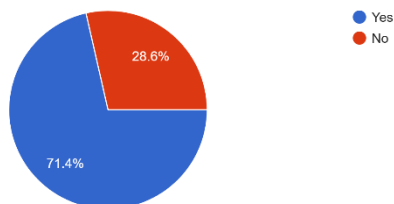
According to survey question no 4, 16.2% of the sample do not know how fraud incidents happen through bKash, Nagad or rocket.

24 people from the survey received fraudulent message, calls pretending from an MFS provider in their lifetime. Based on question 7, 88.6% of the people did not share their PIN or OTP with someone but 5 people of the shared their PIN or OTP with someone else.

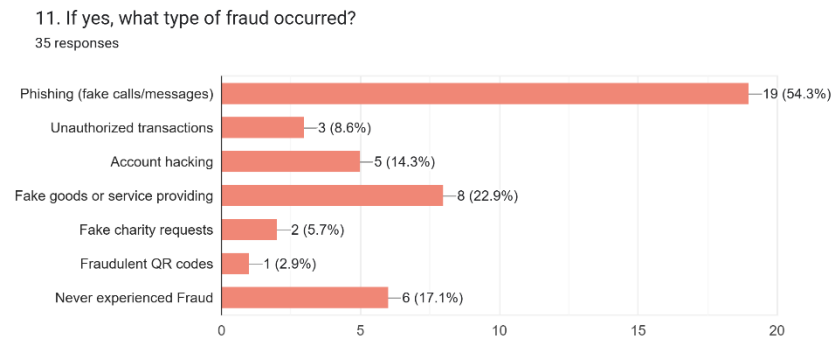
The survey shows that 71.4% people check their transactions before completing any payments and 28.6% people sometimes check details before completing their payments.

Also, the study shows that 31.4% people do not update their MFS apps regularly. Whereas, 68.6% percent people update their apps regularly.

10. Have you or someone you know experienced fraud using bKash, Nagad, Rocket?
35 responses



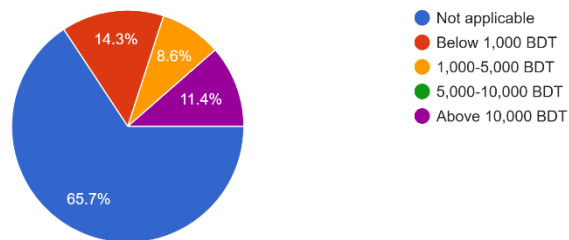
Among the 35 respondents, 25 (71.4%) directly or someone they know experienced frauds through MFS. And 10 people (28.6%) never experienced frauds in their life time.



From the survey, majority of the people experienced frauds through Phishing (Fake calls/messages) with 54.3 percentage. Second major fraud types were Fake goods or service providing (22.9%). 5 people (14.3%) were victims of account hacking. And 3 (8.6%) people faced unauthorised transactions which they did not make

intentionally. Other types of fraud also include like fake charity requests (5.7%) and fraudulent QR codes (2.9%).

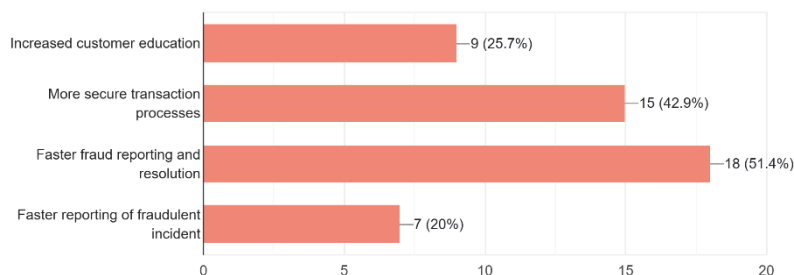
12. How much money (approx.) did you lose, if any, due to MFS fraud?
35 responses



4 People (11.4%) who got victim of fraud lost above 10,000 BDT which shows, frauds can hugely impact people financial and emotional state. 3 people lost around 1,000- 5,000 BDT due to fraudulent incident. And 5 people lost below 1,000 BDT through Fraudulent incident. This shows that despite of being educated people gets fraud new techniques.

Half of the respondents, 18 people (51.4%) thinks that MFS providers are not doing enough to prevent frauds.

14. What preventive measures would you suggest to MFS providers?
35 responses

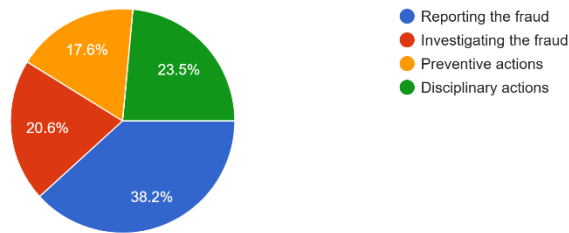


Now, 18 (51.4%) Customers suggests that faster fraud reporting and resolution of MFS should be the first priority for MFS providers to prevent fraud. And second priority should be, more secure transaction process (43%), which means after completing any payments, if they realize they have been fraud, there should be a way to get the money

back immediately. 9 people (25.7%) thinks that, increasing customer education can reduce the fraud incidents. Lastly 7 people (20%) thinks that there should be an immediate way to report fraud incidents through the app so that MFS can take actions instantly.

On a scale of 1-5, 14 customers (40%) are satisfied (4) with the fraud preventions measures that MFS providers take. 15 people (43%) are neither satisfied or dissatisfied with the measures that MFS providers take. 6 people are dissatisfied with the measures that MFS providers take for fraud preventions.

16. What actions do you take in response to incidents of fraud?
34 responses



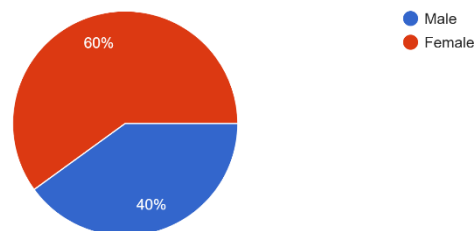
action so that the fraudsters get caught and do not go for further fraudulent activities.

After getting fraud, 13 people (38.2%) would report the fraud incident, 7 people (20%) would investigate the fraud. 6 people responded that, they would take preventive measures so that the fraudster doesn't get another chance to fraud with others. 8 people suggested that they would take disciplinary actions such as reporting to police for investigation and

B) Effectiveness of Fraud Prevention Strategies: In this section I have taken response from the officers at bKash to get insight on the effectiveness of the strategies that MFS takes to prevent fraud.

Among the officer respondents at bKash, 60% (12) were Female and 40%(8) were male. Among them, 8 (40%) officers had 0-2 years of experience, 8 (40%) of the employees have 2-5 years of experience, 2 of them (10%) have 5-10 years of experiences. And 2 officers (10%) have more than 10 years of experience at bKash.

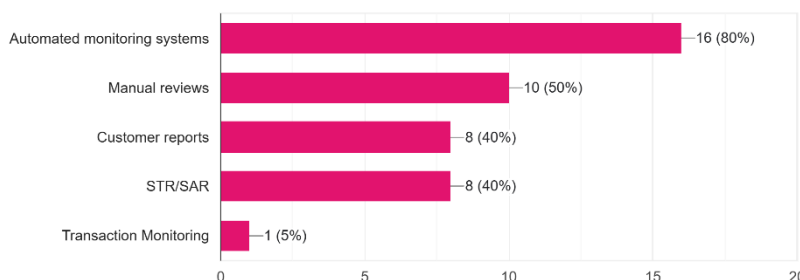
Gender
20 responses



On the scale of 1-5, 10 (50%) officers suggest that their fraud prevention strategies are highly effective. 8 officers suggests somewhat effective

and 2 officers suggests that the strategies are moderately effective.

2. Which fraud detection methods does your organization rely on most frequently?
20 responses



To detect frauds, the organization rely most frequently is Automated monitoring systems (80%). Secondly, the officers does a manual review on the suspected fraudulent activities such as transactions amounts and counts. Officers (40%) takes customer reports for the reviewing of fraudster's number and details.

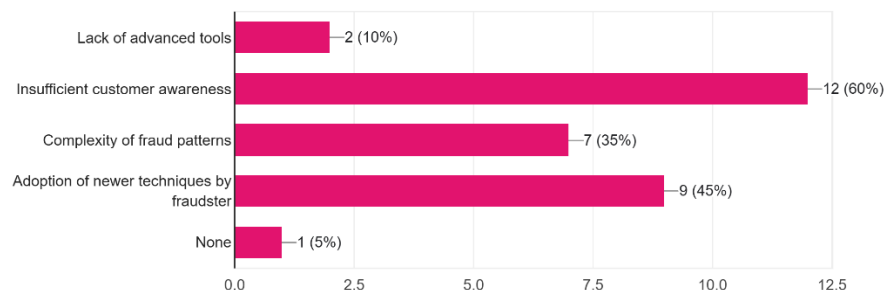
16 (80%) employee suggests that the prevention tools are adequate to detect and prevent the evolving fraud tactics. But 4 of the officers (20%) suggests that it is not adequate. Which means they have lacking for detecting frauds somewhere in the process.

11 (55%) Officers suggests that, the company updates its fraud detection system monthly to align with new fraud patterns. 7 officers suggest they take quarterly update their systems. 2 officers suggest they annually update the system for prevent fraud.

The study suggests that, the company faces several challenges for prevention of fraud. Among them lack

5. What are the biggest challenges your organization faces in implementing fraud prevention measures?

20 responses



of customers awareness is most difficult challenge. Also, adoption of new techniques by fraudsters are also second most difficult challenge. Some also suggests that the complexity of the fraud patterns are difficult for fraud preventive measures. 2 officers suggest there are lacking of advanced tools for fraud preventions.

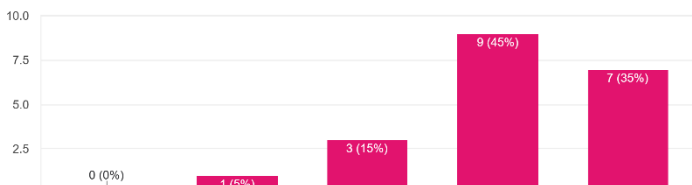
75% (15) officers suggest that they frequently encounter previously unidentified fraud schemes. Which means fraudsters always coming with new techniques to fraud or scam people.

On a scale of 1-5, 10 (50%) officers says that customer awareness programs in preventing fraud are somewhat effective. 30% employee says, customer awareness is highly effective.

One of the survey questionnaires suggests 25-50% of the fraud incidents could have been avoided if the customer awareness were better. 4 officers, suggests more than 75% of the fraud incidents could have been avoided if customers were well aware of the fraud schemes.

10. On a scale of 1-5, how would you rate the internal coordination between compliance teams and other departments in fraud detection?

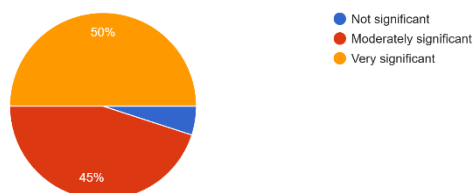
20 responses



45% of the officers says, the internal coordination of between compliance teams are high for preventing frauds. 35% says the coordination is very high when they encounter frauds. Some (20%) says the coordination between teams are not up to the level.

11. How significant is advanced data analytics and AI in fraud detection for your organization?

20 responses



Half of the officers says that advanced data analytics and AI system in fraud detection is very significant for fraud detection. 45% says that will be moderately significant. But one employee says that it would not be significant to bring advance analytics and AI for fraud detection.

I also kept an open-ended question for improving fraud prevention measures. Some employee suggests, more advanced technology, Multilayer security, AI and Machine Learning should be applied. Some suggests, Customer awareness plays most important part in preventing fraud strategies. One of the officers suggests to run campaigns all over the country to educate the customers about some common fraud tactics like Phishing, SIM swapping, identity theft and all the other aspects regarding fraud and their prevention.

Chapter 4: Recommendation

Based on the findings of my research, the following recommendations I propose for reducing customer's vulnerability to fraud in MFS and to enhance the strategies for preventing fraud:

- 1) **Enhancing Customer's Awareness:** Educating customers on common fraud technique and letting them know how to avoid them through educational initiatives. Awareness can also be increased by providing easy to understand guidelines for safe MFS usage via app notification, SMS and through ads. Organizing campaigns country wide will help to aware the mass customers.
Also providing them guidelines on how to identify and reporting suspicious activities. Sending users notification when changes (e.g. phone number, Password update) are made to their account or when large transaction occur, to ensure they are aware of the unauthorized activities. Offering Digital literacy trainings for users, especially in the rural areas, so that they understand how to safely use MFS platforms and avoid common scams.
- 2) **Strengthening Mechanisms for Fraud Prevention:** Using AI and machine learning for creating more robust real time detection system will help to reduce frauds. Account Security features like multi factor authentication on transaction will reduce unauthorised access.
- 3) **Improving Customer Support:** There should be a dedicated 24/7 helpline support for customers to inform about fraud straightaway. Developing a fast and transparent process for investigation and resolving fraud cases. Integrating easy-to-use fraud reporting mechanism in the app will help customers to report suspicious activities. Also, Feedback integration in the app for getting customer insights will help to understand their concerns and improve service reliability.
- 4) **Employee Training and Compliance:** There should be specialized training for compliance officers and customer support staffs for fraud detection and prevention. For making sure to adherence AML & CFT guidelines, MFS have to Making a strong foundation and internal compliance process. Employee need to be educated about the importance of safekeeping customer's information to prevent breach of data.
- 5) **Collaboration with Regulatory Bodies:** Working with regulatory authorities will help to establish centralized database for fraud to better tracking and analysing trends of fraud. Advocating for policies like making strict regulation and penalties for fraudsters so that they fear to involve in fraud in future and by doing so fraudulent activities will be reduces.
- 6) **Regular Feedback from Customers:** It is the customers who gets victim of the fraud. So, the customers knows where and how fraudulent activities are happening. Making a dedicated team for conducting regular surveys for identifying evolving tactics for fraud will help to understand effectiveness of existing measures.
- 7) **Additional Recommendation from my academic HRM knowledge:** MFS companies can develop a competition based special recruitment for hiring compliance officer for who have great investigation and analytical skills especially for fraud prevention. Encourage collaboration with HR, IT, Compliance, Operations and other departments so that every team can work collaboratively on emerging fraud schemes. Providing stress management and other mental well being resources for employees working in high workload compliance roles. Hiring the best talents and creative minds for creating a framework for preventing fraud and. The great minds can help to identify the loopholes and can bring a system process where preventing fraud and resolution would be very easier.

Chapter 5: Conclusion

This research aims to explore the factors that drives customers to frauds through MFS providers and evaluate the effectiveness of fraud prevention methods by MFS providers.

According to findings, challenges such as focusing on customer education and lack of advanced fraud detection technology are the key barriers for fraud prevention. Customers are least aware of what to do and how it can be done to avoid being trapped. Their digital literacy is poor and they don't always verify the transactions details. Moreover, customers fall into fraudster's alluring offerings easily. However, strategies like campaigns for customer education, increased security measures, proactive monitoring for compliance have been proven with moderate implication for prevention of fraud.

MFS providers can use target campaign for the target people. For rural areas, the campaign would be different, informative and easy to understand for under educated people. Campaigns can include educating customers on different fraud schemes, how they can get trapped in scams. Customers should adopt safe and secure practices. Customers are the ones who can prevent fraudulent activities in the most significant ways.

Advance tools for fraud detection and tracking system should be innovated to so that there could be no loop holes where fraudsters get chance to fool customers. AI and Machine learning should be implemented so that the automated system detects the patterns and the transactions. Also, an account should be restricted if too much transactions and counts happen within certain time limits.

Cooperation between customer, MFS provider and regulatory authority is mandatory to build a safer ecosystem. Customers have to coordinate accordingly or else they will be the ultimate losers. MFS can monitor suspicious activities regionally and take actions immediately, so that they can get the fraudsters caught right away whenever the fraudster wants to cash out all the money. Integration of Police and RAB into the fraud prevent process will also improve the fraud prevention significantly. Showing and broadcasting the bad consequences to the fraudster who got caught might bring fear into many fraudsters around the country.

5.1 Limitations and Future Researches

The **limitations** of the study are that it is limited to specific demographical context and it might not generalize to all demographics. As the research relies on the responses of survey, biasness or limited accuracy might happen. Also, time limitation can restrict deep exploration of new fraud techniques and long-term consequences. Also, the sample size of the survey will not represent entire population of users of bKash, Nagad, rocket etc. as a result it might lead to result biasness. The study might focus on common fraud but may not capture emerging fraud types. The study will focus on a single provider which will limit the insights and comparisons in the MFS industry. There was lack of information for deep research on the fraudulent problems.

Future Research Recommendation: This research has limitations. Future studies can include broad range of MFS providers across the industry. Also Narrowing down to investigate particular frauds can be researched. Also, Larger sample size for extensive and diverse respondent pool for gaining better customer experience and perspectives will help. Also, investigation of customer's behaviour will help to analyse user habits and behaviours for falling into fraudster's trap. Also, future study can include on the study of policy evaluation, like government regulations and policies on fraud reduction.

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Appendixes:



INTERNSHIP PROPOSAL FORM

Name:	Md. Wasif Niaz
ID:	201011180
Department:	Bachelor of Business Administration
Supervisor's Name (Faculty):	Nazmun Nur Eva
Organization Name:	Bkash Limited
Internship Title:	Factors Influencing Customer Vulnerability to Fraud in Mobile Financial Service

22th December, 2024
Student's signature & date

22nd December, 2024
Supervisor's signature & date

(Submit your Research Proposal to your Supervisor for approval)

LETTER OF TRANSMITTAL

22nd December, 2024

Wasif Niaz, Cell: 01718670232, Email: wasif.niaz.bba@ulab.edu.bd

Nazmun Nur Eva
Senior Lecturer, HRM
School of Business
University of Liberal Arts Bangladesh
(ULAB)688, Beribadh Road
Mohammadpur, Dhaka 1207.

Dear Ma'am,

Subject: Submission of Internship Proposal.

Please find attached herewith the proposal for an internship in partial fulfillment of the requirement for a Bachelor's of Business Administration (BBA) at bKash Limited, External and Corporate Affairs Division at SKS Tower from 11th November, 2024.

If you have any questions, please call me at 01718670232 or 01886670232, you can reach me most easily at the following times: 7:00 PM to 11:00 PM. My workdays are from Sunday to Thursday 10:00 to 6:00 pm.

Sincerely yours,



Md. Wasif Niaz
ID: 201011180
BBA Program
School of Business
University of Liberal Arts Bangladesh

Internship Organization: bKash Limited, Mohakhali branch.

Address: SKS Tower, Level 5, Mohakhali, Dhaka

Duration: Internship from 11th November, 2024 to 9th February, 2025

Organizational Supervisor:

Mohammad Saiful Islam

Line Manager, CPMPCT, AML & CFT

Cell: +8801611725889, Email: Mohammad.islam@bkash.com

Description of Internship organization:

An Overview of bKash Limited:

History: Bkash Limited was established during 2010 with a joint venture of BRAC Bank ltd and Money in Motion LLC, USA. It was launched with goal for providing financial service to mass unbanked population of Bangladesh.

Nature of Business: bKash operates as Mobile Financial Service provider, offers convenient and secure financial transaction solutions.

Current Status: bKash is the leading MFS provider in Bangladesh, with more than 7 crores users and widespread networks of agents across the country. It is renowned for its innovative solutions in digital financial services and its commitment to one stop financial solutions. bKash has also heavily invested in Anti-money laundering and counter financing of terrorism, to align with local and international standards.

Core Products/Services of bKash Limited: Their services include cash in & out, mobile recharge, money transfers, bill payments, merchant payments, loans, handling international remittances, savings, bKash App and more which is accessible through mobile phones.

Description of the Internship Study:

Description of the study: This study aims to explore the factors influencing customer vulnerability to fraud in Mobile Financial Services (MFS) in Bangladesh. It will focus on understanding how customer awareness, behaviors, and demographic factors contribute to fraud incidents. The study will also evaluate the effectiveness of fraud prevention measures implemented by MFS providers. Data will be collected through structured surveys using Google Forms and analyzed to identify key patterns and insights. The target population includes MFS users who actively use these services for transactions.

Nature of the study: This is a quantitative study where one open ended question will be asked to get insights from Customers and Compliance officers. It will be exploratory research to analyze the behavioral patterns that influences customers to fall into fraudulent activities.

The Objectives of the study: The objective of the study will be as follows:

1. To identify the factors that influencing customer vulnerability to frauds using MFS.
2. To analyze the effectiveness of fraud prevention strategies adopted by MFS providers.

Expected Contribution and Gain: The study will provide insights into customer behaviors and their correlation with fraud incidents. Also, it will help MFS providers to enhance their fraud prevention strategies to ensure customer security.

Justification of the Study: This topic is chosen because fraud using MFS is a significant challenge in Bangladesh, where many users rely heavily on these services. Addressing this issue is critical to ensuring financial security, maintaining customer trust, and aligning with regulatory requirements. Understanding the fraud patterns and customer vulnerabilities is critical for building trust and security in fintech sector.

Sources and Methods of Collecting Primary Data: Selected customers who have faced fraud and structured surveys with fraud victims that will fulfil objective 1. For objective 2 survey questionnaires will be used for assessment of fraud prevention strategies of MFS. Method like structured questionnaires with multiple choice and Likert scale questions and one open ended question will be used in the research.

Sources and Methods of Collecting Secondary Data: Company reports, academic journals, Research papers, internship reports, and case studies on fraud detection in fintech. Through review on publicly available data.

Sampling Technique and Sample Size: Technique: Convenience sampling for customers. Purposive sampling will be used for Compliance officers.

Sample Size:

30 customers for surveys or structured questionnaires.

20 Compliance officers who directly works for preventing Fraud activities.

Analysis and Interpretation of Data: The collected data will be analyzed using:

Quantitative Data: Statistical tools (e.g., MS Excel, Google form) to interpret survey results.

The analysis will be used to draw conclusions on the current vulnerabilities of customers & fraud prevention strategies of MFS and will provide actionable recommendations

Reporting: A final report will be written at the end of the study with the findings. The academic supervisor and institutional supervisor will be regularly updated on the progress.

Timeline:

Serial	Activity	Weeks											
		1	2	3	4	5	6	7	8	9	10	11	12
1	Consultation with Supervisors	√	√	√	√	√	√	√	√	√	√	√	√
2	Secondary Data Collection		√	√	√								
3	Services Record Collection					√	√	√	√	√	√		
4	Primary Data Collection						√	√					
5	Data Analysis								√	√			
6	Draft Report Writing										√		
7	Final Report Writing											√	
8	Report Submission												√



Md. Wasif Niaz

ID: 201011180

10 November 2024

Wasif Niaz

Mohonpur, Ring road, Shyamoli, Dhaka

Subject: Internship Placement Letter

Dear Mr. Wasif Niaz,

With reference to your request for an internship placement in bKash Limited (here in after referred to as the "Company") for a period of 3 (Three) Months, please be informed that the management has accepted your request to allow you to pursue an unpaid internship placement for the period from 11 November 2024 to 9 February 2025. During this period, you will be working under the supervision of Mr. Mohammad Saiful Islam (Manager, AML&CFT, External & Corporate Affairs Division).

Please note that, without the prior written consent or authorization of the Company, you must not divulge, disclose, or communicate to any person, firm, corporation or other entity, or use for your own benefit or for the benefit of any other person, firm, corporation or other entity matters, data or information, which includes but is not limited to,

(i) any data or information or electronic communication, whether verbal or in writing relating to the Company's price sensitive information, policy, procedure, strategy, business or operation or any other information which is declared or deemed to be confidential by bKash; or

(ii) any personal information of any customer, employee, agent, distributor or any other business entity which you may come to know/learn by yourself or through any other person during the course of your internship placement with the Company.

You must not misuse your position with the Company in any way during the course of your internship placement and shall maintain the same degree of confidentiality for a period of 1 (one) year after cessation of the internship placement by either party.

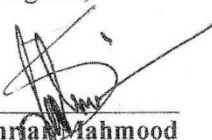
For any breach of confidentiality, the Company shall have the right to revoke your internship placement and seek damages from a court of law with competent jurisdiction for such breach.

Prior to any submission, disclosure or publication of any internship report, data or summary, you must submit a copy of the same to the Human Resources Division of the Company for review and obtain a written clearance from the Company for such submission, disclosure or publication. Subject to successful completion, you will be awarded a certificate at the end of the internship placement.

Please note that, the Company management may decide to revoke your internship placement anytime before commencement or during the internship placement without prior notice and with immediate effect for any reason whatsoever. You are entitled to withdraw from this internship placement by giving 7 (seven) days' prior written notice to the Company. In case of revocation or withdrawal from the internship placement, no or no further (as applicable) internship placement allowance will be payable to you thereof.

In compliance of the above, you are instructed to report to your supervisor in due course. We hope that this internship placement will be useful to you and contribute in developing your education in your concern area.

Best regards,


Shahriar Mahmood

EVP & HoD, Organizational Effectiveness and Employer Branding, Human Resources

Copy to: Internship File

Survey Questionnaires & responses

1.1 Survey questionnaire set for Understanding Customer's Vulnerability to fraud in MFS:

1. Your age?
 - a) 18- 25
 - b) 26- 35
 - c) 36- 45
 - d) Above 45
2. Education qualifications?
 - a) Secondary
 - b) Higher Secondary
 - c) Bachelor's
 - d) Post-Graduate
 - e) Doctorate & post-doctorate
3. How often do you use MFS (bKash, Nagad, Rocket etc.)?
 - a) Daily
 - b) Weekly
 - c) Monthly
 - d) Occasionally
4. Are you aware of common fraud schemes related to MFS?
 - a) Yes
 - b) No
5. Have you ever received fraudulent messages, calls, or emails pretending to be from an MFS provider?
 - a) Yes
 - b) No
6. Do you know what steps to take if you encounter fraud in MFS?
 - a) Yes
 - b) No

7. Have you ever shared your PIN or OTP with someone?
- a) Yes
 - b) Maybe
 - c) No
8. How often do you check transaction details before completing a payment?
- a) Always
 - b) Sometimes
 - c) Rarely
 - d) Never
9. Do you update your MFS app regularly to the latest version?
- a) Yes
 - b) No
10. Have you or someone you know experienced fraud using bKash, Nagad, Rocket?
- a) Yes
 - b) No
11. If yes, what type of fraud occurred?
- a) Phishing (fake calls/messages)
 - b) Unauthorized transactions
 - c) Account hacking
 - d) Fake goods or service providing
 - e) Fake charity requests
 - f) Fraudulent QR codes
 - g) Never experienced Fraud
 - h) Others:
12. How much money (approx.) did you lose, if any, due to MFS fraud?
- a) Not Applicable
 - b) Below 1,000 BDT
 - c) 1,000- 5,000 BDT
 - d) 5,000- 10,000 BDT
 - e) Above 10,000 BDT

13. Do you think MFS providers are doing enough to prevent fraud?

- a) Yes
- b) No

14. What preventive measures would you suggest to MFS providers?

- a) Increased customer education
- b) More secure transaction processes
- c) Faster fraud reporting and resolution
- d) Faster reporting of fraudulent incident
- e) Other:

15. On a scale of 1-5, how satisfied are you with the fraud prevention measures of your MFS provider?

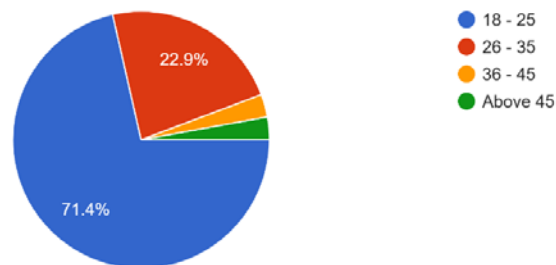
1-5 Likert scale

16. What actions do you take in response to incidents of fraud?

- a) Reporting the fraud
- b) Investigating the fraud
- c) Preventive actions
- d) Disciplinary actions
- e) Other:

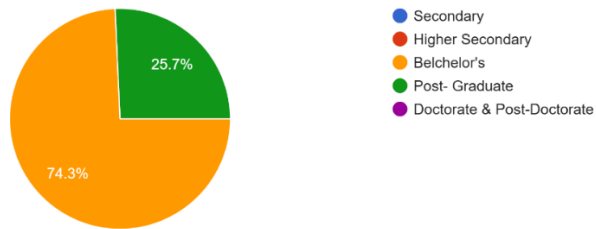
1.2 Responses to the Survey Understanding Customer's Vulnerability to fraud in MFS:

1. Your age?
35 responses



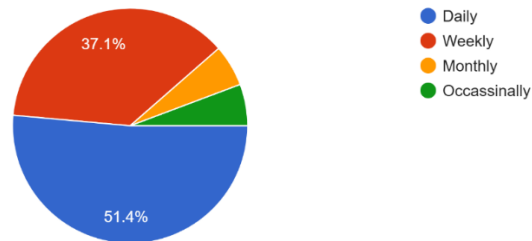
2. Education Qualifications?

35 responses



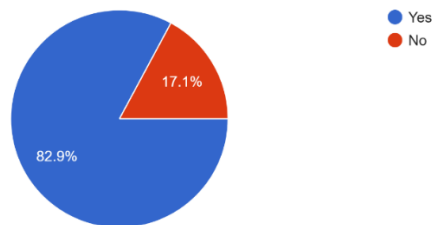
3. How often do you use MFS (bKash, Nagad, Rocket etc.)?

35 responses



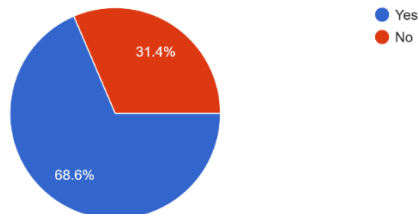
4. Are you aware of common fraud schemes related to MFS?

35 responses



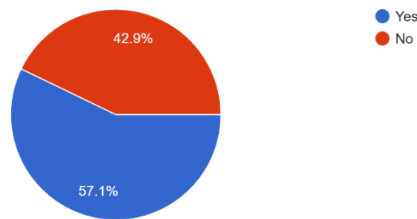
5. Have you ever received fraudulent messages, calls, or emails pretending to be from an MFS provider?

35 responses



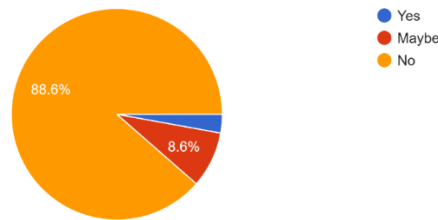
6. Do you know what steps to take if you encounter fraud in MFS?

35 responses



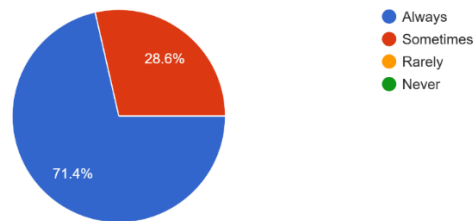
7. Have you ever shared your PIN or OTP with someone?

35 responses



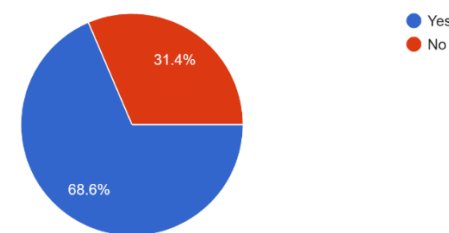
8. How often do you check transaction details before completing a payment?

35 responses

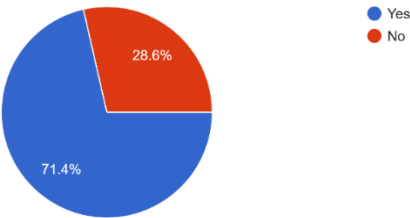


9. Do you update your MFS app regularly to the latest version?

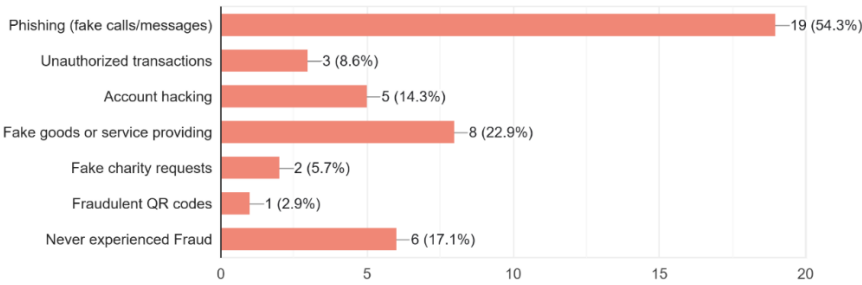
35 responses



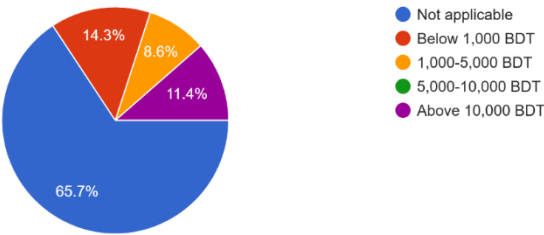
10. Have you or someone you know experienced fraud using bKash, Nagad, Rocket?
35 responses



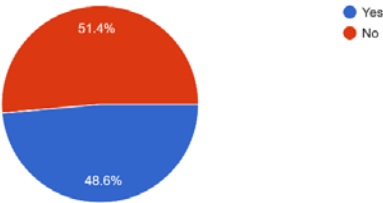
11. If yes, what type of fraud occurred?
35 responses



12. How much money (approx.) did you lose, if any, due to MFS fraud?
35 responses

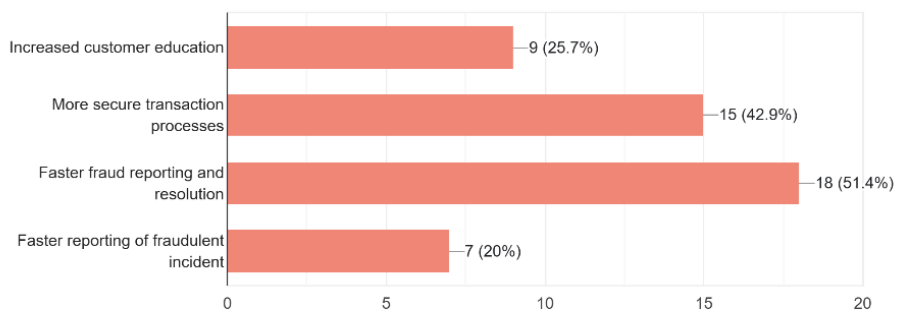


13. Do you think MFS providers are doing enough to prevent fraud?
35 responses



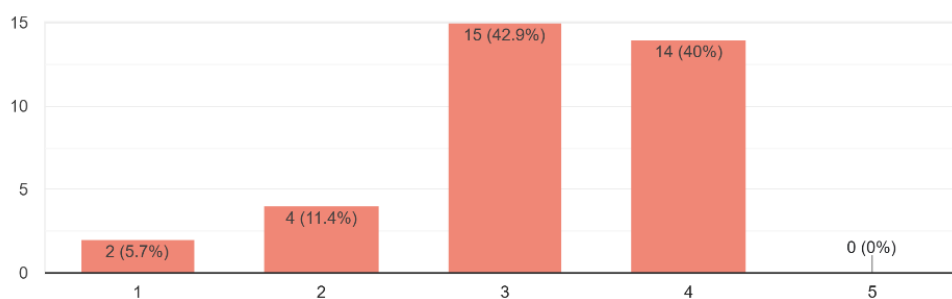
14. What preventive measures would you suggest to MFS providers?

35 responses



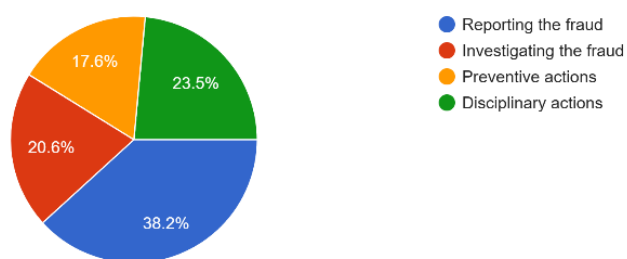
15. On a scale of 1-5, how satisfied are you with the fraud prevention measures of your MFS provider?

35 responses



16. What actions do you take in response to incidents of fraud?

34 responses



2.1 Survey questionnaire set for Evaluating Effectiveness of Fraud Prevention Strategies in MFS:

- Gender?
 - a) Male
 - b) Female
- Years of Experience:
 - a) 0- 2 years
 - b) 2- 5 years
 - c) 5- 10 years
 - d) Above 10 years
- 1. How would you rate the effectiveness of your organization's fraud prevention strategies on a scale of 1-5?

Likert scale: 1 (Not Effective) to 5 (Highly Effective)

- 2. Which fraud detection methods does your organization rely on most frequently?
 - a) Automated monitoring systems
 - b) Manual reviews
 - c) Customer reports
 - d) STR/SAR
 - e) Other:
- 3. Are the current fraud prevention tools adequate to detect and prevent evolving fraud tactics?
 - a) Yes
 - b) No
- 4. How often does your organization update its fraud detection systems to align with new fraud patterns?
 - a) Monthly
 - b) Quarterly
 - c) Annually
 - d) Rarely

5. What are the biggest challenges your organization faces in implementing fraud prevention measures?
- a) Lack of advanced tools
 - b) Insufficient customer awareness
 - c) Complexity of fraud patterns
 - d) Adoption of newer techniques by fraudster
 - e) Other:
6. How frequently does your team encounter new and previously unidentified fraud schemes?
- a) Frequently
 - b) Occasionally
 - c) Rarely
 - d) Never
7. On a scale of 1-5, how effective are customer awareness programs in preventing fraud?
- Likert scale: 1 (Not Effective) to 5 (Highly Effective)
8. What percentage of fraud incidents could have been avoided with better customer awareness?
- a) Below 25%
 - b) 25-50%
 - c) 51-75%
 - d) Above 75%
9. Does your organization allocate sufficient resources (personnel, technology, training) for fraud prevention?
- a) Yes
 - b) No
10. On a scale of 1-5, how would you rate the internal coordination between compliance teams and other departments in fraud detection?
- Likert scale: 1 (Very Poor) to 5 (Excellent)

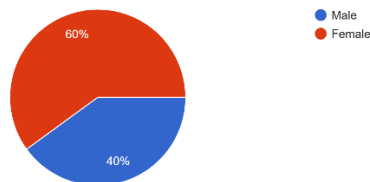
11. How significant is advanced data analytics and AI in fraud detection for your organization?

- a) Not Significant
- b) Moderately Significant
- c) Very Significant

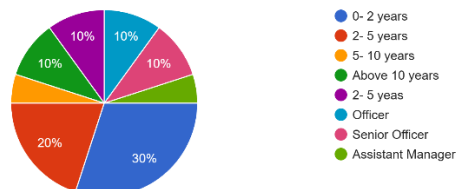
12. What additional measures would you recommend for improving fraud prevention strategies? (Open-ended)

2.2 Responses to the Survey Evaluating Effectiveness of Fraud Prevention Strategies in MFS:

Gender
20 responses

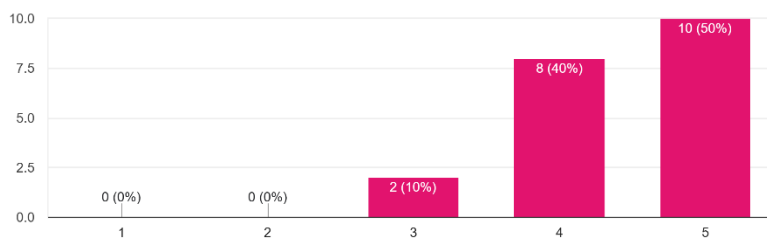


Years of Experience:
20 responses



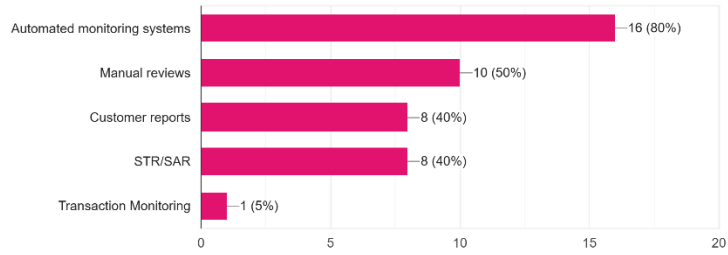
1. How would you rate the effectiveness of your organization's fraud prevention strategies on a scale of 1-5?

20 responses



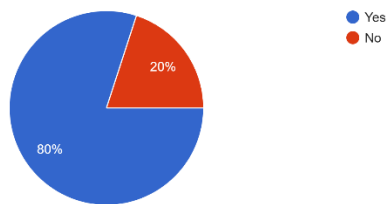
2. Which fraud detection methods does your organization rely on most frequently?

20 responses



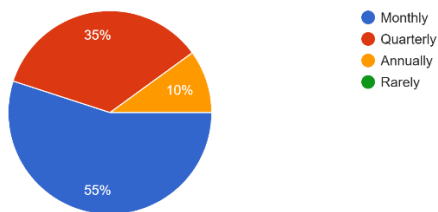
3. Are the current fraud prevention tools adequate to detect and prevent evolving fraud tactics?

20 responses



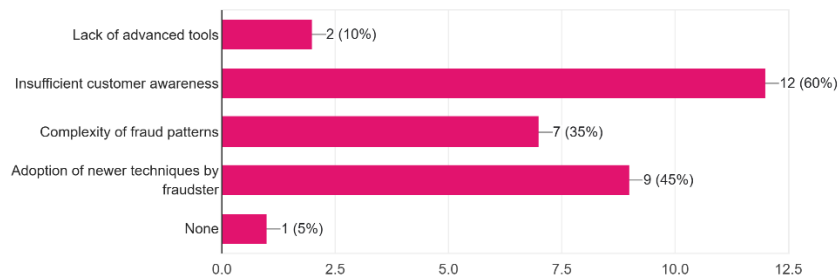
4. How often does your organization update its fraud detection systems to align with new fraud patterns?

20 responses

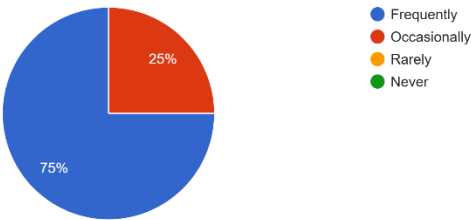


5. What are the biggest challenges your organization faces in implementing fraud prevention measures?

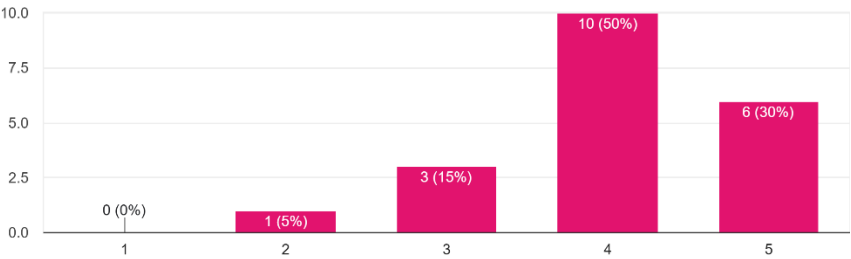
20 responses



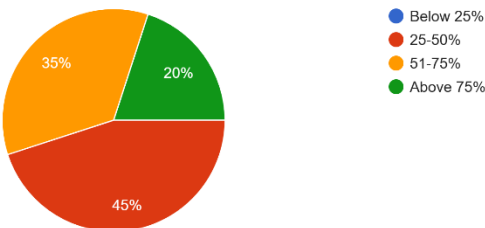
6. How frequently does your team encounter new and previously unidentified fraud schemes?
20 responses



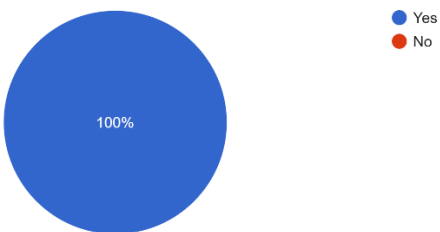
7. On a scale of 1-5, how effective are customer awareness programs in preventing fraud?
20 responses



8. What percentage of fraud incidents could have been avoided with better customer awareness?
20 responses

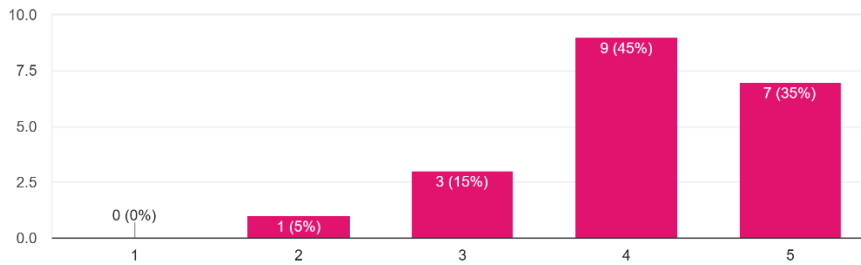


9. Does your organization allocate sufficient resources (personnel, technology, training) for fraud prevention?
20 responses



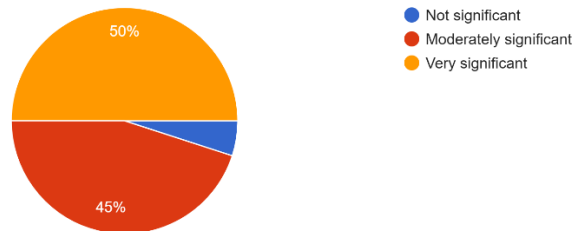
10. On a scale of 1-5, how would you rate the internal coordination between compliance teams and other departments in fraud detection?

20 responses



11. How significant is advanced data analytics and AI in fraud detection for your organization?

20 responses



Recommendations:12. What additional measures would you recommend for improving fraud prevention strategies?

Customer awareness and multilayer security may apply

Customers need to be more cautious about sharing their PIN

AI and Machine Learning should be utilized.

Run campaigns to educate customers about common fraud tactics such as phishing, SIM swapping, and identity theft. Provide guidelines on how to identify and report suspicious activities. Send users notifications when changes are made to their account (e.g., phone number change, password update) or when large transactions occur, to ensure they are aware of any unauthorized activities. Offer digital literacy training for users, especially in rural or underserved areas, to ensure they understand how to safely use MFS platforms and avoid common scams.

Campaign all over the country

The present measures are efficient so far, and still have more room for improvement and greater efficiency. However, customers have to coordinate accordingly or else they will be the ultimate losers. Customers are the ones who can prevent fraudulent activities in the most significant ways, whereas we are mainly available for providing awareness.

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