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UNIVERSITI
TEKNOLOGI
MARA



MGT 666

INDUSTRIAL TRAINING REPORT

PREPARED BY:

SITI NURFATIN NABIHAH BINTI ABDUL HAKIM

2022908177

CLASS:

BA2406B

NAME OF COMPANY:

MENARA KEMBAR BANK RAKYAT

PREPARED FOR:

MADAM NOR MASLIA BINTI RASLI SAMUDIN

SURAT KEBENARAN

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Tidak Bersetuju

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Yang Benar

.....
Nama Pegawai :

Jawatan :

No. Tel. :

No. Faks :

MOHD SYAKIRIN SHAHARUM

Assistant Manager

MSME (Business Support)

Cop jabatan/organisasi:



EXECUTIVE SUMMARY

During my internship at Bank Rakyat, I had the privilege of gaining practical experience in the MSME Business Support Department, contributing to various administrative and operational activities. This internship provided me with valuable insights into the banking industry, particularly in the areas of Islamic finance and customer-centric banking services.

Throughout my tenure, I was actively involved in tasks such as preparing letters of offer, creating memorandums, managing document workflows, and assisting in the organization and delivery of critical documents across departments. These responsibilities enhanced my understanding of banking operations, attention to detail, and adherence to compliance protocols.

In addition to hands-on tasks, I observed the bank's strategic positioning through a SWOT analysis, identifying its strengths, weaknesses, opportunities, and threats. Bank Rakyat's strong reputation as Malaysia's largest Islamic cooperative bank, coupled with its comprehensive product range and customer-focused approach, positions it well in the competitive banking landscape. However, challenges such as technology gaps, limited international presence, and manpower shortages must be addressed to maintain its market leadership.

The experience also highlighted the bank's potential to capitalize on opportunities in the growing demand for Islamic banking, digital banking innovations, and the expanding SME sector. At the same time, the need to mitigate external threats such as regulatory changes, economic instability, and cybersecurity risks is critical for sustaining long-term success.

Overall, my internship at Bank Rakyat was an enriching experience that allowed me to develop professional skills, gain industry knowledge, and contribute meaningfully to the organization. This report provides a comprehensive account of my activities, observations, and learning outcomes, reflecting the significant value of my internship in shaping my career aspirations.

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First and foremost, I would like to express my deepest gratitude to Allah SWT for His blessings and guidance, which enabled me to successfully complete my industrial training at Bank Rakyat. I would like to extend my heartfelt thanks to Susana Muhd Nasir, my manager, for her continuous support, guidance, and encouragement throughout my internship in the MSME Business Support Department. Her leadership and expertise have been instrumental in helping me understand the operations and processes of the Credit Unit team.

My sincerest appreciation goes to Mohd Shakirin Shaharom, Ibrahim Alang Ahmad, Mohamad Izzat Othman, Nik Mohamad Arman Syahmi, and Anis Asyiqin Othman, whose collaboration and assistance made my internship an invaluable learning experience. A special thanks to my lecturers and university supervisors for their advice and for providing me with the foundation needed to excel during this training.

Last but not least, I would like to thank my family and friends for their unwavering support and motivation throughout my academic journey. Without their encouragement, this milestone would not have been possible. Thank you to everyone who contributed to my growth and learning during this incredible opportunity.

STUDENT'S PROFILE



PERSONAL DETAILS

Email
Phone Number
Location

PERSONAL SUMMARY

Dynamic and results-driven Bachelor of Business Administration (Hons.) Marketing student with a passion for strategic marketing and brand management. Demonstrated ability to conceptualize innovative marketing campaigns and effectively communicate brand messages to target audiences. Strong analytical skills coupled with a creative mindset, allowing for the development of data-driven marketing strategies that drive business growth. Seeking an internship placement to apply academic knowledge in a practical setting, gain hands-on experience, and contribute to the success of a forward-thinking marketing team.

EDUCATION

2022 - Present
Universiti Teknologi MARA (UiTM)
Bachelor of Business Administration (Hons.) Marketing
Current CGPA: 3.38

Relevant Coursework: Digital Marketing, Service Marketing, Global Marketing, Sales Force Management, Research Marketing, and Responsible Marketing.

2019 - 2022
Universiti Teknologi MARA (UiTM)
Diploma in Tourism Management
CGPA: 3.36

2014 - 2019
Sekolah Menengah Agama Arab Ilmi
Sijil Pelajaran Malaysia (SPM)

SKILLS & HIGHLIGHTS

Languages:

- Malay: Native or bilingual proficiency
- English: Professional working proficiency

Technical Skills:

- Proficient in Microsoft Office suite, including Word, Excel, and PowerPoint, for efficient document creation, data analysis, and presentation development.
- Skilled in various computer applications such as Canva and Capcut, adept at utilizing these tools for graphic design, video editing, and content creation.
- Knowledgeable in digital marketing principles and techniques, including social media management, SEO optimization, and email marketing, with a focus on driving engagement and increasing brand visibility.

Interpersonal Skills:

- Strong team player with the ability to collaborate effectively with diverse groups to achieve common goals and deliver exceptional results.
- Demonstrated adaptability in various work environments, quickly adjusting to new tasks, challenges, and changing priorities to maintain productivity and meet objectives.
- Creative thinker with a keen eye for innovative solutions and strategies, capable of generating fresh ideas and concepts to enhance marketing initiatives and campaigns.

REFERENCE

Dr. Zuhairah binti Hassan
Universiti Teknologi MARA (UiTM), Bandaraya Melaka
Coordinator / Senior Lecturer

SITI NURFATIN NABIHAH BINTI ABDUL HAKIM

BACHELOR OF BUSINESS ADMINISTRATION (HONS.)
MARKETING

EXTRA CO-CURRICULAR

Vice President for Youth Entrepreneurship Society Club (YES CLUB), 2023 - 2024.

- Create and maintain Form C and Work Papers for all YesClub events, ensuring thorough documentation and compliance.
- Assist the club president in meetings, providing strategic input and support to align CSR projects with club objectives.
- Lead CSR initiatives within YesClub, driving the planning and execution of impactful projects to make a positive difference in the community.

Marketing Student Association (MASA), 2023 - 2024
Entrepreneurship Exco:

- Coordinate ordering corporate shirts and jerseys for all marketing students from semesters 1 through 5, ensuring quality and timely delivery.
- Oversee the setup and maintenance of the MASA booth at all events, maximizing its impact as a hub for student engagement and entrepreneurship promotion.
- Develop and execute strategic marketing campaigns to promote the MASA club, leveraging various channels to enhance visibility and attract new members.

Protocol Bureau (Floor Manager):

- Responsible for ensuring seamless event execution by meticulously coordinating logistics, schedules, and resources to maintain the flow of activities in the hall as per the established program.
- Act as the point person during events, overseeing the execution of protocols and promptly addressing any issues or deviations from the schedule to ensure smooth proceedings and a positive experience for attendees.

Club Treasurers for Intellectual Student's Association (INSAN), 2020 - 2022.

- Create and maintain the club's annual budget, strategically allocating resources for various activities and initiatives.
- Assist in managing the club's bank account, ensuring transactions are handled responsibly and in accordance with financial guidelines.
- Prepare financial statements for major events, offering clear insights into the club's financial performance and accountability.
- Prepare and issue invoices promptly and accurately, facilitating smooth financial transactions and maintaining positive relationships with vendors and partners.

WORKING EXPERIENCE

August 2024 - January 2025
Bank Rakyat (HQ)

Industrial Training (MSME, Business Support Department)

- Prepared and tailored letters of offer for various Bank Rakyat programs ensuring compliance with internal standards.
- Prepared memos for seamless document transfers to the Credit Administration Department (CADS), streamlining interdepartmental coordination.
- Conducted secure document delivery across departments, verifying proper authorization and adherence to processing protocols.
- Supported the preparation of Notices of Demand by compiling and verifying critical information for legal processing.
- Organized, scanned, and archived essential documents, establishing a structured and efficient record-keeping system.

March 2022 - April 2022

KOPETRO Travel & Tours
Clerk (Ticketing Department)

- Executed the creation and processing of invoices for ticketing and departmental transactions, ensuring accuracy and compliance with financial protocols.
- Facilitated the issuance and booking of flight tickets, managing reservations and coordinating travel logistics for clients and staff.
- Organized and maintained meticulous file systems for the ticketing department, streamlining document retrieval and enhancing operational efficiency.

September 2021 - February 2022

KOPETRO Travel & Tours

Industrial Training

- Directed the invoicing process for the ticketing and tours department, ensuring precision and adherence to financial protocols.
- Successfully facilitated the issuance and booking of flight tickets, coordinating travel arrangements for clients with attention to detail and timeliness.
- Implemented an efficient file management system for the tours, Umrah, and ticketing departments, optimizing the organization and accessibility of essential documents.

March 2020 - Present

Online Business

Food Service

- Managed customer orders efficiently, ensuring accuracy and timely delivery while maintaining high standards of food quality and presentation.
- Oversew business capital management, including budgeting, expenditure tracking, and financial planning, to ensure operational efficiency and profitability.

COMPANY PROFILE

1.0 Bank Rakyat History and Background

Bank Rakyat, formally referred to as Bank Kerjasama Rakyat Malaysia Berhad, was founded on 28 September 1954 under the Co-operative Ordinance 1948, with the principal objective of delivering financial services to the cooperative sector in Malaysia. The bank initially concentrated on providing loan facilities and financial assistance to cooperative members, hence fostering economic development in rural and agricultural regions. Over the years, Bank Rakyat has evolved and broadened its services beyond cooperatives, serving the general public, enterprises, and other industries while upholding its cooperative ideals. In 2002, the bank achieved a significant milestone by becoming a fully Shariah-compliant Islamic financial organization. This strategic transition corresponds with Malaysia's extensive initiatives to advance Islamic banking and finance, a domain in which the nation currently excels on a global scale. Bank Rakyat adheres to Islamic banking principles, ensuring that all its products and services comply with Shariah law by eschewing features such as *riba* (interest), *gharar* (uncertainty), and *maysir* (gambling). The bank organizes its products according to ethical and profit-sharing frameworks, including *Murabaha*, *Ijarah*, and *Musharakah*.

Currently, Bank Rakyat is acknowledged as one of Malaysia's foremost Islamic cooperative banks, catering to millions of clients across the country. The bank offers an extensive array of financial products and services, encompassing retail banking, business banking, investment solutions, personal loans, home loans, SME assistance, and corporate financing. Its clientele comprises individuals, micro-companies, small and medium-sized enterprises (SMEs), and major corporations, establishing it as a pivotal entity in Malaysia's financial industry. Besides its banking services, Bank Rakyat engages in corporate social responsibility (CSR) projects, fostering community development, education, and entrepreneurship. The bank has launched multiple initiatives to enhance financial literacy, empower small enterprises, and promote economic sustainability.

Bank Rakyat has established itself as a pivotal institution in Malaysia's banking sector, renowned for its ethical banking practices, financial stability, and dedication to customer happiness. It persistently expands and innovates, guaranteeing that its offerings remain pertinent and accessible to all Malaysians.

2.0 Location

I am now undertaking a six-month internship in the MSME Business Support Credit Unit at Bank Rakyat's Menara Kembar office. The whole address of my workplace is: Level 26, Menara 1, Menara Kembar Bank Rakyat, No. 33, Jalan Rakyat, Brickfields, 50470 Kuala Lumpur, Wilayah Persekutuan, Malaysia.

The Menara Kembar Bank Rakyat is situated in the core of Kuala Lumpur, a prominent and vibrant business center in Malaysia. This site has superior accessibility through primary roadways and public transit systems, including the KTM Komuter, LRT (Light Rail Transit), and MRT (Mass Rapid Transit), facilitating comfortable commutes for employees, clients, and business associates.

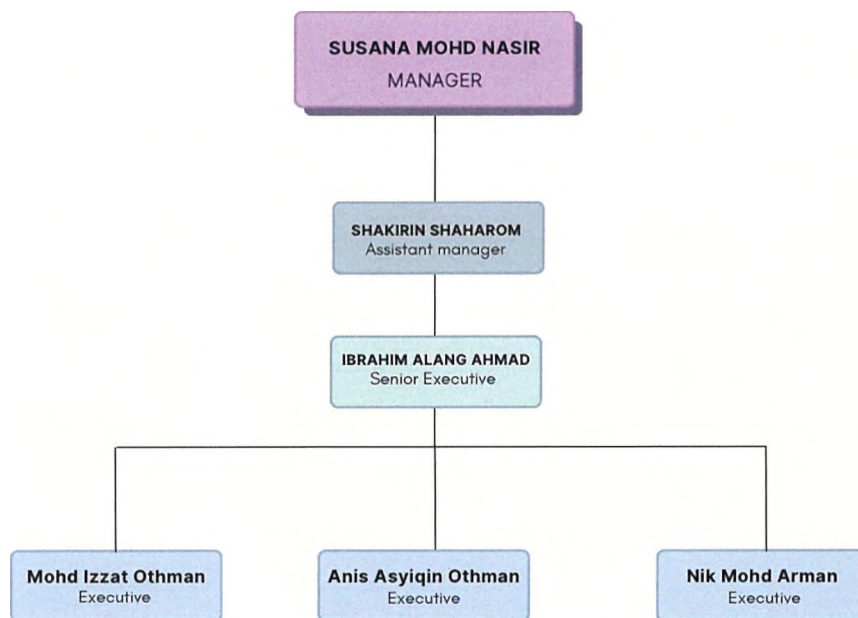
Throughout my internship, I have had the privilege of working in the MSME Business Support Credit Unit, acquiring significant insights into the operations of a prominent financial institution. My position has provided me with exposure to essential banking tasks, including loan processing, credit risk evaluation and many more. Engaging in this dynamic corporate setting has enabled me to enhance my professional competencies, broaden my understanding of the banking sector, and comprehend the practical implementation of financial theories acquired throughout my academic pursuits.

The working environment of Menara Kembar Bank Rakyat is energetic and fast-paced, embodying the bank's dedication to excellence and innovation. My internship experience at this site has been both enriching and gratifying, facilitated by a culture that promotes learning, collaboration, and professional development. I have had the opportunity to engage in training courses, internal meetings, and industry conversations, which have enhanced my comprehension of banking operations and market trends.

I observed the bank's dedication to customer service, financial inclusion, and digital transformation while based in the headquarters of Bank Rakyat. This encounter has strengthened my respect of the need of modifying business trends and the role of financial institutions in promoting economic development. My time here has been crucial in preparing me for a career in banking and finance.

3.0 Organizational Chart

ORGANIZATIONAL CHART



The MSME Business Support Department at Bank Rakyat is led by Susana Muhd Nasir as the Manager. Under her guidance, the team focuses on promoting the growth and sustainability of micro, small, and medium firms. Supporting her is the Assistant Manager, Mohd Shakirin Shaharom, who plays a crucial role in ensuring that the department's operational goals correspond with the broader strategic objectives of the bank. The Senior Executive, Ibrahim Alang Ahmad, adds his skills in managing critical client relationships and supporting strategic initiatives. The team is also made up of three devoted Executives: Mohamad Izzat Othman, Nik Mohamad Arman and Anis Asyiqin Othman, who work together to ensure seamless daily operations, help clients, and contribute to the development of new projects that support the growth of MSMEs. Together, this dynamic team within the Credit Unit is responsible for supporting and fostering the financial needs of MSMEs, playing a crucial part in Bank Rakyat's

aim to stimulate economic development and entrepreneurship in Malaysia.

4.0 Vision and Mission

Vision:

Bank Rakyat's mission is to become Malaysia's No. 1 Progressive Islamic Cooperative Bank. This vision stresses the bank's dedication to being a leading institution in the financial sector while adhering to the principles of Islamic finance. The bank's vision also shows its ambition to continue at the forefront of innovation in the banking business, always changing to fulfill the requirements of its clients and members.

Mission:

Bank Rakyat's purpose is to increase the economic well-being of our members, customers, and nation. The bank tries to do this by delivering accessible, ethical, and creative financial solutions that respond to the different needs of its consumers. Through its extensive variety of goods and services, Bank Rakyat seeks to contribute to the socio-economic development of Malaysia, notably by assisting SMEs and fostering financial inclusion.

5.0 Products and Services

Bank Rakyat offers a broad portfolio of products and services, specifically tailored to fulfill the different financial needs of both individual and commercial customers. These offers represent the bank's commitment to providing accessible and effective solutions that empower customers to achieve their financial goals.

5.1 Personal Banking

Bank Rakyat provides a number of products and services targeted to individual consumers, including:

- a. **Savings:** A comprehensive assortment of savings accounts tailored to fit diverse financial goals, delivering both security and simplicity to help customers grow their wealth successfully.
- b. **Financing-i:** Shariah-compliant personal financing solutions that offer financial aid while following to Islamic principles, assuring ethical and responsible borrowing possibilities.
- c. **Card:** A collection of credit and debit cards, each offering flexibility, rewards, and

exclusive perks that appeal to varied customer preferences and lifestyles.

5.2 Business Banking

Bank Rakyat offers a full spectrum of financial options for businesses, including:

- a. **Deposit-i:** Shariah-compliant deposit products that provide businesses with ethical and secure investment possibilities, promoting safe growth of capital.
- b. **Micro Financing-i:** Targeted financing solutions created for micro and small firms to encourage their growth, sustainability, and development in a competitive environment.
- c. **Business Financing-i:** Extensive financing choices that cater to greater funding requirements, assisting firms in procuring the capital needed for day-to-day operations, capital expenditures, and expansion activities.

During my industrial training, I had the opportunity to acquire hands-on experience to numerous specialized programs geared at helping business growth and strengthening certain communities such as BRPLUS and BRIEF.

a. BRPLUS

The BRPLUS program is specifically designed to provide additional financial support to MSMEs and cooperatives, helping them sustain and grow their businesses. It focuses on improving employment development and enhancing economic resilience, particularly in the aftermath of the COVID-19 pandemic. The initiative aims to support firms in managing adverse economic conditions and rebuilding for long-term success. A fundamental effort under BRPLUS is its dedication to boosting women's engagement in entrepreneurship by supporting women entrepreneurs and women-owned cooperatives. This effort serves a significant role in developing economic inclusion, raising household incomes, and encouraging the involvement of women in business operations.

b. BRIEF-i (Bank Rakyat Indian Entrepreneur Financing)

The BRIEF-i program is a tailored finance solution established exclusively to benefit Indian entrepreneurs, SMEs, and Indian-owned cooperatives in Malaysia. It offers considerable financing choices intended to fit the needs of firms wishing to expand, including areas such as capital investment, equipment purchases, and overall business growth. The program provides affordable financing rates, making it an attractive solution for firms with bigger finance

requirements. By addressing the unique issues faced by Indian entrepreneurs, BRIEF-i fosters economic empowerment and supports the growth of entrepreneurship within the Indian community. In doing so, it helps to the general socioeconomic development of both the neighborhood and the nation.

Through these programs, Bank Rakyat demonstrates its commitment to fostering company success and supporting inclusive economic growth, ensuring that all segments of the community have access to financial resources that promote long-term prosperity.

TRAINING REFLECTION

1.0 Internship Description

1.1 Duration

My internship with Bank Rakyat lasted for six months, providing me with adequate time to get a deeper grasp of the bank's operations and corporate culture. The six-month timeframe allowed me to gradually adapt to the banking atmosphere, from initial onboarding to actively contributing to the daily activities within the department. The experience was long enough for me to create relationships with colleagues, immerse myself in various initiatives, and learn firsthand how the bank works with its clients, particularly within the MSME (Micro, Small, and Medium Enterprise) sector.

1.2 Working Days and Hours

I worked from Monday to Friday, with office hours from 8:30 AM to 5:30 PM. These working hours were normally standard; but, there were times when I had to stay a bit later to fulfill specific deadlines, especially when the volume of work rose. The activities I was responsible for, particularly document preparation and delivery, often required me to change my schedule. In certain circumstances, due to the importance of prompt execution, I also worked over lunch or extended my working hours to guarantee that I fulfilled all deadlines and expectations. This flexible work schedule helped me realize the value of time management in a corporate atmosphere, especially when supporting business operations.

1.3 Department

I was assigned to the MSME Business Support Credit Unit, which plays a critical role in delivering essential financial solutions to micro, small, and medium firms. This unit's fundamental purpose is to guarantee that these enterprises, which are crucial to Malaysia's economy, receive enough financial support to increase their productivity and growth. Throughout my internship, I was able to observe the department's major functions, which include assessing the financial needs of MSMEs, producing financing packages, and managing documentation connected to loans and business support programs. By working within this department, I got an awareness of the financial instruments and processes available to SMEs and their vital role in the growth of local economies.

2.0 Job Scope

During my stay at Bank Rakyat, my tasks were varied but centered mostly on administrative support. The experience helped me to gain practical skills and engage in real-time processes important to the operations of a bank.

2.1 Document Preparation

One of my key jobs was assisting with the preparation of various documents, such as letters of offer and memorandums. I was involved in creating letters of offer for numerous programs, including BRPLUS, BRIEF, and BRJOHORNIAGA, which were crucial for clients asking for loans or financing solutions. I was also responsible with producing memorandums for internal communication, such as notices of transfer and demand letters, which needed a great eye for detail to ensure all material was accurate and in conformity with the bank's regulations. I got an awareness for the value of proper paperwork, as these papers constitute the official agreement between the bank and its clients.

2.2 Document Management

In addition to document preparation, I was responsible for regulating the flow of documents within the department. This required filing documents, arranging them, ensuring that they were correctly archived, and facilitating the delivery of files among other departments. At times, the effort was overwhelming owing to the volume of documentation that needed to be processed daily. Nonetheless, it helped me polish my organizing abilities and stressed the significance of effective record-keeping in sustaining seamless corporate operations. The capacity to efficiently handle documents ensured that all departments remained aligned with their responsibilities and contributed to flawless operations.

2.3 Customer Interaction

Although I was not directly working with clients, I had the opportunity to assist in preparing customer-facing documentation. I observed how the bank works with MSMEs, ensuring that all messages were clear, correct, and fit with the bank's customer service values. This experience taught me to comprehend the intricacies of customer interaction, even in a non-direct position. I also learnt how the bank stresses customer connections and attempts to give services that correspond with their company goals. This indirect customer connection increased my awareness of the banking sector's focus on customer happiness, particularly in the context of

MSMEs.

3.0 Challenges

During the internship, I met various hurdles that tested my problem-solving abilities and adaptability.

3.1 Time Management

One of the most major obstacles I had was handling many activities at once, especially when document preparation and delivery across various floors required to be accomplished within tight deadlines. Time management became crucial, as I had to guarantee that each activity was done effectively without compromising the quality or accuracy of my work. Additionally, coordinating the workload between different departments and ensuring smooth communication also required regular attention. I had to become competent at prioritizing projects depending on their urgency, learning to manage competing deadlines effectively. I also used digital tools and resources to manage and schedule tasks, which helped me keep organized and avoid missing any deadlines.

3.2 Communication Barriers

Though I did not have direct customer encounters, communicating within the bank created its own set of issues. One of the key difficulties was ensuring that documents were adequately disseminated and transmitted between various departments in a timely manner. With several teams involved in the document flow, occasional misunderstandings or delays in passing on information created bottlenecks. For instance, I often experienced issues collaborating with staff members from other departments, especially when certain documents required immediate processing or signatures. However, these hurdles allowed me to grasp the importance of excellent communication inside a company and the benefit of clear, timely exchanges of information.

3.3 Limited Technology Use

Although Bank Rakyat employs some digital solutions, I saw that some divisions, especially within the MSME business support unit, still relied on manual methods. These manual procedures slowed down key tasks, making the workflow more difficult. For example, paperwork had to be physically delivered between departments, which often resulted in delays.

Furthermore, certain records had to be managed using physical file systems, which added a layer of complication to tracking and retrieving information. While the bank had a strong focus on digital transformation, the slower adoption of technology in other departments underscored the issues many businesses experience when introducing new technologies across all levels.

4.0 What I Gained Through This Internship

The six-month internship at Bank Rakyat was an enriching experience that considerably added to my understanding of the banking business, particularly Islamic finance. I got practical information and insights into the working of the bank and its role in helping MSMEs, which are essential to the Malaysian economy.

4.1 Practical Experience in Banking Operations

I obtained hands-on experience in the banking business by aiding in the compilation of various papers, managing workflows, and supporting the daily operations of the MSME Business Support Credit Unit. Through these activities, I became familiar with the operational processes involved in serving business clients and learnt the necessity of attention to detail and timeliness. I have seen the vital function that paperwork plays in sustaining the bank's credibility and creating confidence with its clients. This actual exposure provided me a deeper awareness for the intricacy of banking operations and the need of precision and reliability in financial services.

4.2 Industry Insights

Throughout my internship, I learnt not only about the day-to-day activities within a bank but also received insights into the wider trends driving the sector, notably in the context of Islamic banking. Islamic banking principles stress ethical financial practices, such as profit-sharing instead of interest, and this coincides with Bank Rakyat's basic beliefs. I saw how the bank's products appeal to both individual and business clients, focusing on Sharia-compliant solutions, and the role that these products have in supporting financial inclusion. Additionally, I came to grasp the crucial role that banks play in the development of MSMEs, giving personalized financing solutions that help small firms to expand and contribute to the economy.

4.3 Professional Development

On a personal and professional level, the internship helped me acquire several key abilities. I got more adept at managing several obligations and increased my organizational abilities by

learning how to juggle various administrative tasks. Moreover, I strengthened my communication abilities by cooperating with colleagues from other departments and ensuring that documents were correctly processed and distributed. I also learnt the necessity of working in a fast-paced, deadline-driven workplace, which taught me to stay focused under pressure and maintain high-quality work standards even when faced with tight timelines. This experience was important in boosting my confidence and preparing me for future employment in the banking sector or other industries. In conclusion, my internship at Bank Rakyat provided me with a complete and practical understanding of the banking business, particularly within the framework of Islamic finance and MSME support. The combination of hands-on experience and exposure to industry trends has been a vital stepping stone in establishing my future ambitions and aspirations in the financial sector.

COMPANY SWOT ANALYSIS

During my internship at Bank Rakyat, I had the opportunity to gain insight into various aspects of the bank's operations. One of the key activities I was involved in was analyzing the bank's current market position through a SWOT (Strengths, Weaknesses, Opportunities, and Threats) analysis. This exercise allowed me to assess the strategic factors that shape the bank's success and challenges in the competitive banking landscape. Below is the SWOT analysis based on my observations during my time at Bank Rakyat.

1.0 Strengths

1.1 Market Leadership in Cooperative Banking

Bank Rakyat is Malaysia's largest Islamic cooperative bank and the leader in its specialty market, with total assets totaling to RM117.33 billion as of the end of 2023 (Bank Rakyat, 2023). As a cooperative bank, it notably combines the objectives of providing financial services with a strong community-oriented attitude. This system helps its members to feel trustworthy and belonging, which builds customer loyalty and a strong market base (International Cooperative Alliance Asia-Pacific, 2021). Moreover, the cooperative model lets members participate more actively in decision-making procedures, so improving consumer satisfaction and involvement (Bank Rakyat, 2023). This market leadership, backed by its healthy financial status, provides Bank Rakyat with a large degree of influence in Malaysia's cooperative banking sector, placing it as a vital participant in both the financial and social scene. For instance, Bank Rakyat's cooperative approach guarantees openness and inclusiveness by giving member interests and community welfare top priority over profit. Active participants in decision-making, members help to build bank loyalty and confidence in the leadership. This original strategy has helped the bank keep its standing as a reputable financial institution in Malaysia and strengthen itself.

1.2 All-Inclusive Sharia-Compliant Financial Services

Bank Rakyat's focus on supplying a wide range of Sharia-compliant financial products gives them a competitive edge, particularly in Malaysia, where there is a considerable demand for ethical banking solutions. The bank's product offerings vary from personal finance to business loans and deposits, catering to the different needs of individuals, enterprises, and MSMEs. This extensive product portfolio not only aligns with the needs of the Muslim population but also portrays the bank as an inclusive financial organization for consumers who are seeking ethical

alternatives to conventional banking. By ensuring all products correspond to Islamic finance principles, Bank Rakyat draws a broader customer base, strengthening its position as a responsible and ethical financial institution. For instance, Bank Rakyat's Tabung Haji investment tool, available through its iRakyat platform, allows users to save for Hajj with profit-sharing returns. This product illustrates the bank's dedication to providing innovative and Sharia-compliant financial solutions that fulfill the demands of its customers.

1.3 Extensive Branch Network and Strategic Locations

Bank Rakyat maintains 147 branches nationally, supported by more than 990 automated teller machines (ATMs) and cash deposit machines (CDMs), together with 183 Ar-Rahnu X'Change shops. This vast network enables simple access to banking services for consumers throughout both urban and rural locations, boosting customer satisfaction and establishing the bank's market presence throughout Malaysia. Furthermore, Bank Rakyat's headquarters in Kuala Lumpur is conveniently positioned near key public transportation hubs such as the LRT and MRT stations. This outstanding location offers tremendous convenience for employees, clients, and business partners, while also drawing additional walk-in customers. The headquarters' strategic positioning in the heart of Malaysia's financial hub increases the bank's operating efficiency and connectivity, supporting its role as a leading participant in the banking industry. The bank's broad branch network is particularly advantageous in rural areas, where many clients still appreciate face-to-face encounters and tailored services. This dedication to financial inclusivity is underscored in Bank Rakyat's Sustainability Report, which stresses its role in eliminating financial inequality and establishing closer ties with its members and customers.

1.4 Commitment to Staff Development and Training

Bank Rakyat is dedicated to continual employee training and professional development to strengthen staff skills and expertise. The bank offers both required training programs and voluntary courses that workers can register for through the Human Resources (HR) department. While required training ensures all workers are up to speed with fundamental industry practices and regulatory needs, voluntary training allows employees to specialize and advance in their respective sectors. However, the schedule for HR-approved training is set randomly, requiring workers to adjust to the allocated periods. This systematic strategy ensures personnel are well-equipped to meet increasing market needs, regulatory changes, and technology improvements. For example, Bank Rakyat's training programs cover a wide range of topics,

including digital banking, customer service, and conformity with Sharia rules. This focus on staff development not only increases employee performance but also helps the whole customer experience, since well-trained workers are better able to address the needs of customers.

1.5 Efficient Document Management and Workflow Processes

Bank Rakyat has created a comprehensive and structured document management and approval workflow system that ensures the seamless handling of key documents such as letters of offer, memorandums, and legal agreements. This system involves well defined protocols for document preparation, multi-level verification, and timely approvals by necessary authorities, assuring accuracy and compliance with internal rules and regulatory requirements. Once documents are generated, they are systematically reviewed, signed by the relevant senior management, and swiftly transferred to the respective departments, such as the Legal and Reporting departments, for further processing. This coordinated procedure avoids administrative delays, reduces the chance of errors, and promotes accountability throughout the document lifecycle. Additionally, the incorporation of digital tools and multipurpose equipment for scanning, tracking, and archiving documents accelerates the entire process. This digital strategy not only enhances efficiency but also strengthens data security and confidentiality, especially for sensitive papers. By improving document flow and decreasing manual handling, Bank Rakyat ensures speedier service delivery, better transparency, and enhanced overall operational performance, indicating its dedication to maintaining high service standards and customer satisfaction. For instance, the use of digital solutions for document management has dramatically cut processing times for loan approvals, allowing consumers to obtain faster responses and improving their overall experience with the bank.

2.0 Weaknesses

2.1 Limited International Presence

While Bank Rakyat has a solid domestic footprint, it has problems when it comes to worldwide expansion. As worldwide demand for Islamic banking continues to increase, the bank has yet to tap into markets beyond Malaysia at a major scale. Competitors like as Maybank and CIMB have developed their businesses in Southeast Asia, the Middle East, and other countries of the world, which provides them with access to a bigger and more diverse customer base. Bank Rakyat's comparably small abroad operations mean that it may miss out on the rising chances in worldwide Islamic finance, which could harm its long-term growth potential. To compete

globally, the bank would need to increase its footprint and build its brand recognition in other nations, particularly in places with substantial Muslim populations. For example, the worldwide Islamic finance sector is anticipated to expand USD 3.69 trillion by 2024, presenting a big potential for Bank Rakyat to diversify its revenue sources and strengthen its international reputation. However, the bank's current focus on the local market limits its capacity to benefit on this expansion.

2.2 Dependence on Cooperative Membership Contributions

Bank Rakyat's reliance on cooperative member contributions for finance provides a hurdle in terms of scalability and flexibility. The cooperative form, while giving a strong sense of community, can hinder the bank's capacity to earn large capital compared to commercial banks. The limited access to external money can constrain the bank's capacity to finance large projects, such as technical upgrades or branch expansions. Additionally, the cooperative approach can sometimes contribute to lengthier decision-making procedures, as members must be consulted for critical choices. This dependency on member contributions might also make it more sensitive to financial swings within the cooperative sector, which could limit the bank's potential to compete with larger commercial banks that have broader funding capacities. For instance, Bank Rakyat's cooperative model encourages members to engage in decision-making, which can hold down the approval of new plans or activities. This contrasts with commercial banks, which can make choices more promptly and respond to market developments more effectively.

2.3 Dependence on Traditional Banking Methods

Despite major technology developments in the banking industry, Bank Rakyat continues to rely on traditional banking methods for several of its core operational functions. For instance, the bank still employs paper-based systems for certain documentation, including approval workflows, record-keeping, and legal agreements. This technique needs manual signatures, physical handling, and the moving of papers among departments, leading to inefficiencies, longer processing times, and higher likelihood of errors or miscommunication. Furthermore, the reliance on paper documentation can result in increased operating costs associated with printing, storing, and archiving physical data. While the bank has introduced some digital tools, the ongoing use of these older technology inhibits the bank's potential to provide real-time services, creating the likelihood of delays in customer transactions and decision-making. This

antiquated paradigm may also impede the bank's potential to quickly respond to evolving consumer demands, especially those wanting faster, more efficient digital transactions. Consequently, Bank Rakyat's competitive position could be damaged compared other financial institutions that have effectively embraced digital transformation and are able to offer more flexible, efficient, and cost-effective services. For example, a survey by McKinsey suggested that paper-based systems may generate productivity losses of up to 30%, underscoring the inefficiencies associated with traditional banking procedures. Bank Rakyat's reliance on these tactics could put it at a disadvantage relative to competitors who have fully digitized their operations.

2.4 Regulatory and Compliance Burden

As a government-linked financial institution, Bank Rakyat confronts stringent regulatory scrutiny, which can greatly increase its operational expenses and hamper its freedom in decision-making. The regulatory landscape is continually moving, and changes in government policy or new regulations could harm the bank's profitability and impair its capacity to adapt promptly to market needs. Compliance with both national and international financial standards involves substantial resources, which might restrict the bank's potential to develop new business strategies or offer innovative products. Furthermore, these regulatory constraints may hinder the bank's capacity to extend into new regions or offer novel financial services, since any new endeavor must pass through stringent compliance inspections, thus delaying its implementation. These causes rendered Bank Rakyat more sensitive to economic swings and regulatory changes compared to more agile private-sector competitors. As highlighted in the Basel III and the Regulatory Burden: A Closer Look at Banks' Compliance Strategies report by the Financial Stability Board (2020), regulatory compliance often demands significant investments in resources and systems, which could hinder Bank Rakyat's ability to quickly adapt to market changes. For example, the implementation of Basel III regulations has increased the capital requirements for banks, leading them to spend larger resources to compliance and risk management. This has put further pressure on Bank Rakyat's financial resources and decreased its potential to participate in expansion initiatives.

2.5 Outdated Marketing Strategies and Inactive Social Media Presence

Bank Rakyat's marketing strategies remain essentially traditional, focusing significantly on conventional media such as print advertising, brochures, and in-branch incentives. This

approach limits the bank's potential to effectively engage with younger, tech-savvy consumers who are increasingly engaged on digital platforms like social media, mobile apps, and online banking services. Additionally, Bank Rakyat has a fairly muted presence on social media networks compared to its competitors. In an era where social media plays a crucial role in brand engagement, customer communication, and marketing outreach, the bank's minimal involvement limits its exposure and connection with potential consumers. Competitors actively use platforms like Instagram, Facebook, TikTok, and LinkedIn to market products, transmit information, and engage with customers in real-time. Bank Rakyat's absence of constant and interesting social media content makes it tougher to boost brand awareness, attract younger demographics, and stay relevant in a digital-first economy. For instance, Bank Rakyat's competitors, such as Maybank and CIMB, have successfully leveraged social media to engage with clients and market their products. Maybank's MAE app, for example, offers a seamless digital experience that combines mobile banking with services like Apple Pay, making it easier for clients to manage their accounts, invest, and make payments. In contrast, Bank Rakyat's weak social media presence and dependency on traditional marketing approaches could restrict its potential to recruit and keep younger consumers.

3.0 Opportunities

3.1 Global Growth in Islamic Finance

The global Islamic finance sector is growing quickly, and Bank Rakyat is well-positioned to benefit on this trend. Islamic finance is predicted to undergo tremendous expansion, particularly in places such as the Middle East, Southeast Asia, and North Africa. By expanding its operations into these countries, Bank Rakyat might tap from the increased demand for ethical, Sharia-compliant financial solutions. Furthermore, the bank might potentially combine with other financial institutions or expand its service offerings to cater to the global Muslim population seeking Islamic banking solutions. This global expansion will not only help Bank Rakyat diversify its revenue streams but also strengthen its international reputation as a pioneer in Islamic finance. For example, the Islamic finance sector is anticipated to develop at a compound annual growth rate (CAGR) of 10.2%, reaching USD 5.35 billion by 2032. This creates a tremendous potential for Bank Rakyat to extend its footprint in high-demand markets and boost its position as a global leader in Islamic financing.

3.2 Digital Transformation and Fintech Integration

As the banking sector progressively embraces digital technologies, Bank Rakyat has a tremendous opportunity to strengthen its digital offerings. The rise of mobile banking and fintech technologies presents the bank with an outlet to boost consumer engagement, streamline operations, and cut expenses. The adoption of digital tools can also give Bank Rakyat with a competitive edge, particularly among younger, tech-savvy consumers who prefer to manage their accounts through mobile apps and online platforms. Additionally, engagement with fintech companies could enable Bank Rakyat to build novel products, such as digital wallets, peer-to-peer lending, or robo-advisors, further increasing its client value proposition. By investing in digital transformation, Bank Rakyat can enhance its position in the market and assure long-term growth and relevance in an increasingly digital environment. For instance, Bank Rakyat's iRakyat platform provides access to digital services, including the Tabung Haji investment function, which allows customers to save for Hajj with profit-sharing returns. By adopting similar fintech advances, Bank Rakyat can attract younger, tech-savvy consumers who appreciate convenience and efficiency.

3.3 Government Initiatives Supporting MSMEs

The Malaysian government's focus on helping micro, small, and medium enterprises (MSMEs) presents an opportunity for Bank Rakyat to increase its customer base. The government has created many programs meant to help MSMEs access finance, boost their production, and strengthen their financial situation. Bank Rakyat may use these government initiatives to offer personalized financial products and services to MSMEs, which are crucial to the Malaysian economy. By becoming a vital partner in the growth and development of MSMEs, Bank Rakyat can consolidate its status as a champion of small businesses while also boosting its financial performance through a diverse portfolio. For example, the government's Penjana SME Financing scheme gives low-interest loans to MSMEs affected by the COVID-19 pandemic. By engaging in such projects, Bank Rakyat can promote small businesses and improve its reputation as a socially responsible financial institution.

3.4 Leveraging Artificial Intelligence (AI) for Enhanced Customer Experience

The rise of artificial intelligence (AI) offers a tremendous opportunity for Bank Rakyat to enhance its customer experience. AI-driven chatbots, personalized recommendations, and advanced analytics can improve how the bank interacts with consumers, improving procedures like loan

approvals, customer support, and fraud detection. By employing AI to personalize financial products based on specific customer needs and preferences, Bank Rakyat can deliver more relevant and timely services, resulting to enhanced customer satisfaction and loyalty. Additionally, the application of AI for predictive analytics could help the bank better understand consumer behavior and market trends, leading to more strategic decision-making and targeted marketing initiatives. For instance, AI-powered chatbots can deliver rapid responses to consumer requests, lowering wait times and increasing the entire customer experience. Similarly, predictive analytics can assist the bank anticipate probable loan defaults and take early measures to limit risks.

3.5 Strategic Partnerships and Mergers & Acquisitions (M&A)

Bank Rakyat has tremendous opportunity to increase its growth and market position through strategic partnerships and mergers and acquisitions (M&A). In the highly competitive banking sector, cooperating with or acquiring other institutions can provide quick access to new markets, technology, and customer segments. A well-executed M&A strategy can also lead to enhanced operational efficiencies, decreased costs, and a stronger competitive position. Considering agreements with local or regional banks to increase its footprint in underserved markets or places with significant development potential. These agreements could involve sharing resources, cooperative product creation, or partnering on distribution methods to reach new client bases. By harnessing the strengths of these institutions, Bank Rakyat may overcome geographical limitations and improve its market reach. For example, Bank Rakyat could consider purchasing smaller Islamic banks in Southeast Asia to extend its footprint in the region and tap into the growing demand for Sharia-compliant financial products.

4.0 Threats

4.1 Intense Competition in the Banking Sector

Bank Rakyat faces intense competition from other big banks, such as Maybank, CIMB, and RHB, which offer similar Islamic banking solutions but with greater resources and broader worldwide reach. These larger commercial banks have the financial resources and infrastructure to deliver competitive interest rates, modern digital banking services, and a more wide choice of goods. As a result, Bank Rakyat may struggle to maintain its market position, particularly among clients who are looking for more comprehensive banking products that include worldwide access and technological innovation. The increasing competition also

threatens the bank's ability to maintain and attract new customers, especially those demanding more convenience and more value-added services. For instance, Maybank's MAE app delivers a seamless digital experience that mixes mobile banking with services like Apple Pay, making it easier for clients to monitor their finances, invest, and make payments. In contrast, Bank Rakyat's limited digital services could put it at a disadvantage in courting tech-savvy customers.

4.2 Economic and Regulatory Challenges

Bank Rakyat operates in a financial landscape that is significantly influenced by economic swings and regulatory frameworks. Economic downturns, inflation, and changes in monetary policy can severely damage the bank's profitability by reducing consumer purchasing power and raising the risk of loan defaults. During moments of economic uncertainty, firms and individuals may struggle to satisfy their financial obligations, resulting to more non-performing loans (NPLs) and significant losses for the bank. Additionally, inflation can diminish the purchasing power of consumers, reducing their ability to save or invest in financial goods, so impacting the bank's revenue streams.

Another big obstacle comes from tight regulatory regulations that govern the banking business. As an Islamic financial institution, Bank Rakyat must comply with both conventional banking regulations and Shariah-compliant financial norms. The execution of Basel III capital requirements, Bank Negara Malaysia's (BNM) risk management standards, and Malaysia's Financial Services Act (FSA) might impose extra operating constraints. These restrictions, while vital for financial stability, may restrict the bank's freedom in offering new products, extending its services, or entering new markets.

Moreover, regulatory compliance involves significant expenditure in legal, risk management, and auditing services. Failure to conform to these standards can result in penalties, legal actions, and reputational damage. The developing nature of global financial rules, such as anti-money laundering (AML) and counter-terrorism financing (CTF) measures, adds another degree of complexity. If Bank Rakyat does not consistently adapt to regulatory changes, it risks operational inefficiencies, greater compliance costs, and potential constraints on its expansion ambitions.

4.3 Cybersecurity Risks and Data Breaches

As Bank Rakyat increases its digital banking services, it confronts increased dangers from

cyberattacks, data breaches, and financial fraud. The increasing reliance on digital platforms exposes the bank to weaknesses that fraudsters can exploit. In recent years, financial institutions worldwide have faced several cyber threats, ranging from phishing attacks to sophisticated ransomware events. In September 2024, Bank Rakyat faced a cybersecurity scare when numerous clients received bogus SMS messages claiming to be from the bank, warning of "possible data-related issues." This incident swiftly circulated on social media, sparking alarm and increasing concerns about the security of clients' sensitive data. Despite Bank Rakyat's assurances that its systems were secure, the scenario produced mistrust and fear among consumers, emphasizing the severe reputational dangers involved with cyber threats. If sensitive client information is disclosed, Bank Rakyat could risk substantial financial losses, legal action, and regulatory penalties for failing to protect data adequately. In today's digital environment, fraudsters are adopting increasingly complicated methods, such as phishing, malware, and ransomware, making institutions like Bank Rakyat great targets. Large-scale cyber disasters at major institutions, such as the 2023 hack on a leading Southeast Asian financial institution that resulted in the exposing of millions of customer details, highlight the potential damage these attacks can do.

Additionally, misinformation propagating on social media can cause confusion and tarnish the bank's image. False claims or exaggerated stories about security breaches can create unneeded alarm, making it vital for Bank Rakyat to have an efficient crisis communication strategy. The bank must also comply with strict data privacy rules, such as Malaysia's Personal Data privacy Act (PDPA) and other international cybersecurity requirements, to avoid legal penalties. For a financial organization, trust is everything. Even the prospect of a data breach can encourage clients to transfer to competitors with tighter security procedures. If Bank Rakyat does not consistently invest in cybersecurity infrastructure, real-time threat monitoring, and employee training on data protection, it faces long-term damage to its reputation and consumer confidence. Cybersecurity risks are a severe risk that can interrupt operations, damage reputation, and impact the bank's long-term viability. Strengthening cybersecurity measures, introducing multi-factor authentication, and enhancing fraud detection systems are essential steps in preserving data security and maintaining customer trust.

4.4 Rapid Growth of Digital-Only Banks and Fintech Competitors

The fast rise of digital-only banks and fintech startups poses a huge challenge to Bank Rakyat. These new entrants are agile, technology-driven, and highly focused on customer-centric

services, offering seamless digital experiences that appeal especially to younger, tech-savvy clients. Unlike traditional banks that rely on physical offices, digital-only banks operate exclusively online, lowering operational expenses and allowing them to give competitive pricing and lower fees. Fintech businesses have changed the financial services industry by delivering revolutionary products such as rapid loan approvals, peer-to-peer payment systems, robo-advisors, and AI-driven financial planning tools. Their ability to harness artificial intelligence, big data, and blockchain technology provides them a competitive edge over traditional banks. For example, digital banks in Malaysia, such as GXBank and SeaBank, have rapidly acquired popularity because to their user-friendly mobile apps, speedy transactions, and personalized financial solutions. If Bank Rakyat is reluctant to upgrade its services and enhance its digital banking experience, it risks losing market share to these agile competitors. Many fintech companies offer speedier services, more accessible online platforms, and more competitive interest rates, enticing customers who favor convenience and efficiency. This competitive pressure could lead to a reduction in client loyalty and hamper Bank Rakyat's growth, particularly among the younger generation seeking digital-first banking experiences.

Moreover, digital banks typically include novel technology such as blockchain-based security features and decentralized financing (DeFi) solutions, which appeal to tech-savvy individuals looking for alternative financial services. Some fintech companies have also introduced cryptocurrency trading choices and digital asset management tools, further enticing a new wave of digital-native investors. If Bank Rakyat does not react to these developing client expectations, it risks becoming outmoded in a fast changing financial market.

4.5 Negative Public Perception Due to Customer Service Issues

Bank Rakyat suffers reputational concerns coming from client dissatisfaction with its services. Complaints concerning delayed response times, ineffective problem resolution, and unresponsive customer assistance have been voiced by consumers, which can negatively harm the bank's public image. In an era where internet evaluations and social media discussions drive consumer impressions, a single negative customer experience may quickly become viral, undermining the bank's trust. For instance, discussions on social media platforms like Reddit, Facebook, and Twitter show occasions where customers encountered busy lines, delays, and unresolved issues when trying to contact Bank Rakyat's customer care. Complaints range from long waiting times for loan applications to challenges in accessing online banking services. Despite giving several channels for feedback and complaints through its official website, these

recurrent flaws can impair the bank's reputation (Bank Rakyat, 2024).

In today's extremely competitive banking business, customers want fast, flawless, and friendly service. Leading banks and fintech firms have established high standards for customer service by incorporating AI-driven customer support, 24/7 live chat options, and rapid query replies. If Bank Rakyat fails to achieve these standards, it risks losing clients to competitors that value customer experience. Furthermore, poor reviews and complaints broadcast extensively on social media can fast alter public perception and repel potential clients. A recent survey indicated that 90% of consumers trust internet reviews as much as personal recommendations, underscoring the relevance of customer feedback on business performance. If service quality does not improve, unhappy clients may shift to banks offering greater customer care, damaging Bank Rakyat's market share and brand image.

DISCUSSION AND RECOMMENDATION

1.0 Strengths

1.1 Enhancing Cooperative Banking Education

Bank Rakyat is well-positioned as a pioneer in cooperative banking, and further strengthening its educational offerings can solidify its position in the industry. The bank might implement organized education programs, such as online courses, webinars, and in-person seminars, to educate members on the benefits of cooperative banking, including wealth development, financial empowerment, and long-term community impact. These programs would cater to diverse age groups, with digital platforms addressing younger members and conventional in-person sessions engaging older members. By giving a comprehensive and accessible education on cooperative banking, Bank Rakyat will empower its members to make educated financial decisions while cementing its reputation as a trusted, transparent institution. According to Bank Negara Malaysia (2023), encouraging financial literacy through educational activities promotes customer engagement and helps the financial inclusion aims of the bank.

1.2 Optimizing Branch Network

Bank Rakyat's wide branch network, particularly in rural regions, is a crucial strength. However, in today's increasingly digital environment, the bank might further improve its customer experience by updating these locations. Introducing self-service kiosks and digital consultation zones would enable clients to accomplish simple operations such as balance inquiries and fund transfers without waiting in line, while more sophisticated banking needs may be handled through virtual consultations with bank professionals. This will not only cut operational expenses but also boost client satisfaction by delivering speedier and more convenient service. Additionally, deploying these technologies in rural branches will help maintain financial inclusion, ensuring that even members in remote locations have access to modern banking services. According to Bank Negara Malaysia (2023), increasing digital banking services in rural branches increases financial inclusion and improves customer experience.

1.3 Launching a "Cooperative Community Fund"

Bank Rakyat could launch a "Cooperative Community Fund" designed to allow members to invest in local development projects, such as assisting small and medium-sized enterprises (SMEs) or financing renewable energy initiatives. The fund would offer members an opportunity to directly contribute to their communities while obtaining a share of the income created by their investments. For instance, the bank may collaborate with rural cooperatives to finance green energy projects, like solar panel installations, which would give long-term environmental and financial advantages. This program would emphasize Bank Rakyat's commitment to community empowerment and sustainable development, further reinforcing its reputation as a socially responsible institution. According to Bank Negara Malaysia (2023), financial institutions that invest in community development contribute to support economic stability and build inclusivity.

1.4 Developing a "Youth Ambassador Program"

To engage younger, tech-savvy generations, Bank Rakyat could launch a "Youth Ambassador Program." This campaign would recruit young members to act as ambassadors for the cooperative banking model, encouraging their peers to adopt financial literacy and cooperative banking ideals through social media platforms and community participation. In exchange for their services, ambassadors could get incentives such as internships, scholarships, or leadership development opportunities. By utilizing the influence of younger generations, Bank Rakyat will not only expand its client base but also safeguard the future sustainability of the cooperative model. According to Bank Negara Malaysia (2023), engaging younger members is crucial for sustaining long-term growth and securing the future of cooperative banking.

1.5 Hosting Annual Cooperative Summits

To reinforce its position as an industry leader, Bank Rakyat may consider conducting annual cooperative banking summits. These meetings would bring together global thought leaders, policymakers, and industry professionals to debate emerging trends in financial services, with a focus on cooperative banking's unique role in fostering financial inclusion and community development. By presenting itself as a thought leader in the cooperative space, Bank Rakyat may not only enhance its authority in the market but also create important networking possibilities for its members and partners. Such summits would showcase Bank Rakyat's dedication to innovation and its role in creating the future of cooperative banking. According to

Bank Negara Malaysia (2023), organizing industry events can strengthen a financial institution's reputation and create more collaboration within the sector.

2.0 Weaknesses

2.1 Strategic Regional Expansion

Bank Rakyat's operations are now limited to Malaysia, which constrains its expansion opportunities. rising into further ASEAN areas, such as Indonesia and Brunei, will provide the bank access to fast rising economies with increased demand for Sharia-compliant financial services. These nations have considerable Muslim populations and are experiencing economic growth, which gives an opportunity for Bank Rakyat to introduce its cooperative banking model and Islamic finance solutions. Strategic ties with local banks in these markets would allow the bank to swiftly establish a footing and develop confidence with local consumers. According to the Islamic financing Development Report (2023), Southeast Asia presents a promising market for Islamic financing, with demand for Sharia-compliant goods likely to continue expanding.

2.2 Accelerating Digital Transformation

Bank Rakyat's reliance on paper-based operations is a significant inefficiency, especially as digital banking continues to transform the financial system. By automating activities such as loan approvals, customer service requests, and account management, the bank might drastically shorten processing times, enhance accuracy, and cut operational expenses. Implementing automated workflows, such as digital signatures and automatic document verification, will improve daily operations and enable the bank to provide faster, more efficient services. These digital upgrades will also suit the goals of today's tech-savvy consumers, who seek rapid and easy banking services. According to PwC (2021), financial institutions that embrace digital transformation may cut costs and increase the customer experience, making them more competitive in the market.

2.3 Adopting Hybrid Workforce Models

Bank Rakyat could profit from utilizing a hybrid workforce model, merging in-branch services with remote labor for non-customer-facing roles. This idea would allow workers to work from home for administrative duties, data entry, and other back-office functions while maintaining in-branch staff to offer customer-facing services. The hybrid model would provide employees

with greater freedom, maybe enhancing job happiness and productivity, while also saving costs tied to office space and utilities. Additionally, by broadening its recruitment efforts to include remote workers, Bank Rakyat may tap a bigger talent pool and become more responsive to changing consumer needs. According to PwC (2021), hybrid work models promote organizational adaptability and minimize operational expenses, which can lead to better service delivery and increased employee satisfaction.

2.4 Launching a "Green Branch Initiative"

With sustainability becoming an increasingly essential issue for consumers, Bank Rakyat could develop a "Green Branch Initiative" that focuses on making a percentage of its branches ecologically friendly. By switching 20% of its branches to solar power by 2026, the bank might minimize its carbon footprint and decrease energy expenditures over the long run. Solar-powered branches will not only help the bank lower its operational costs but also attract eco-conscious consumers who respect sustainability when picking financial institutions. This program would demonstrate Bank Rakyat as a pioneer in green banking and highlight its commitment to corporate social responsibility. According to Bank Negara Malaysia (2023), adopting sustainable practices into financial services helps improve a bank's reputation and promotes the broader goals of sustainability in the sector.

2.5 Creating a Regulatory Compliance AI Tool

As regulatory criteria become increasingly complicated, Bank Rakyat might increase its speed and accuracy by utilizing an AI-powered solution for regulatory compliance. This application could automate procedures such as anti-money laundering (AML) inspections and Sharia compliance audits, eliminating the demand for manual intervention and minimizing human mistake. By deploying AI to monitor transactions and identify potential dangers in real-time, the bank may ensure higher accuracy and speedier compliance with regulatory standards. Additionally, automating compliance processes would free up valuable staff to focus on strategic operations that bring greater value to the bank and its clients. According to Gartner (2024), AI technologies are vital for boosting regulatory compliance, allowing financial institutions to manage risk more effectively and enhance operational efficiency.

3.0 Opportunities

3.1 Capitalizing on the Expansion of Islamic Finance

The global Islamic finance sector is experiencing significant expansion, especially in Southeast Asia, the Middle East, and North Africa. Given the substantial Muslim populations in these locations and the rising demand for Sharia-compliant financial products, Bank Rakyat has a significant opportunity to extend its reach by providing tailored Islamic financing services to international markets. By establishing arrangements with local Islamic financial institutions in these regions, Bank Rakyat may access new revenue streams and enhance its status as a premier supplier of ethical, Sharia-compliant financial services. Market Data Forecast (2024) estimates that the Islamic finance market would reach USD 5.35 trillion by 2032, presenting a significant growth potential for Bank Rakyat to broaden its offerings and capture a larger share of the global market.

3.2 Promoting Digital Banking Innovation

As digital banking evolves, there is a growing necessity for banks to innovate and improve their digital services. Bank Rakyat possesses the capability to maintain a competitive edge by using advanced technologies like artificial intelligence (AI) and blockchain into its operations. AI may be utilized to provide personalized financial guidance, predictive analytics, and automated customer support, significantly improving the customer experience. Blockchain technology enhances transaction transparency, security, and speed, providing clients with more reliable and secure financial solutions. Finextra (2023) asserts that adopting these emerging technologies will enhance operational efficiency and bolster the bank's competitive stance in the digital banking sector.

3.3 Implement a "Halal Microfinance Platform"

A significant demand exists for microfinance services in developing countries, especially among Muslim businesses seeking Sharia-compliant financial solutions. Bank Rakyat possesses the capacity to establish a "Halal Microfinance Platform" aimed at underserved Muslim entrepreneurs in areas such as Indonesia and Brunei. This platform may provide modest, Sharia-compliant microloans to SMEs, thereby fostering economic growth within these communities. Utilizing the iRakyat app, the bank could provide a seamless digital platform for loan applications and management, thereby empowering local entrepreneurs and promoting

financial inclusion. The Islamic Finance Development Report (2023) indicates that microfinance is among the rapidly expanding sectors in Islamic finance, presenting a significant opportunity for Bank Rakyat to enter this flourishing business.

3.4 Establishing a "Financial Literacy Hub"

Financial literacy continues to be a significant barrier to banking access for vulnerable populations, especially in rural regions. Bank Rakyat can resolve this by establishing a financial literacy hub aimed at educating these populations on the fundamentals of banking, saving, and investing. Bank Rakyat can provide individuals with the knowledge and skills necessary for sound financial decision-making through interactive tools, gamified applications, and regional financial education initiatives. This project aligns with the bank's aim of financial inclusion and has the potential to foster enduring ties with historically marginalized regions. Bank Negara Malaysia (2023) asserts that augmenting financial literacy in marginalized areas enhances financial inclusion and enables individuals to assume control over their economic destinies.

3.5 Partnership with E-commerce Platforms

As e-commerce continues to proliferate, especially among younger, technologically adept consumers, Bank Rakyat can enhance its outreach by collaborating with prominent e-commerce platforms such as Lazada and Shopee to provide Sharia-compliant Buy Now, Pay Later (BNPL) services. This partnership would not only draw new clientele used to online shopping and digital financing but also establish Bank Rakyat as a frontrunner in providing Sharia-compliant solutions for the burgeoning e-commerce industry. By providing BNPL services, Bank Rakyat may facilitate equitable financing for clients while ensuring adherence to Islamic finance principles in all transactions. Market Data Forecast (2024) anticipates significant growth in the BNPL market in the coming years, presenting a huge opportunity for Bank Rakyat to capitalize on this trend.

4.0 Threats

4.1 Enhancing Competitive Advantage

The banking market is fiercely competitive, with large banks like Maybank and CIMB providing comparable financial goods and services. To preserve relevance and uphold its competitive edge, Bank Rakyat must distinguish itself by delivering distinctive advantages that differentiate it from its rivals. An effective plan would involve developing a loyalty program for cooperative

members, offering incentives such as enhanced profit-sharing, discounted services, or exclusive access to new products. By doing so, Bank Rakyat may create enduring relationships with its current clientele while drawing new consumers attracted to the bank's cooperative ideals and customer-focused strategy. Boston Consulting Group (2023) says that creating a loyalty program would boost client retention and reinforce the bank's reputation in a competitive market, emphasizing the benefits of cooperative banking.

4.2 Enhancing Cybersecurity Protocols

With the increased popularity of digital banking, cybersecurity threats are an escalating challenge for financial institutions internationally. Bank Rakyat, despite its rising digital presence, remains subject to these hazards. Cybercriminals are increasingly competent, and a single security failure may destroy customer trust and jeopardize the bank's brand. To address these threats, Bank Rakyat should invest considerably in advanced, AI-driven security systems capable of detecting and neutralizing assaults in real time, thereby preventing data breaches and financial fraud. The bank must strengthen its client education initiatives, warning users about the risks of internet banking, including phishing efforts. Gartner (2024) believes that banks must have a proactive cybersecurity strategy by deploying AI-driven solutions and beginning public awareness campaigns to help both internal systems and customers to anticipate and mitigate digital hazards.

4.3 Initiating a "Customer Service SWAT Team"

In the contemporary interconnected landscape, customer service is important in influencing a bank's reputation. Delayed or inadequate responses to client issues may lead to discontent, bad assessments, and, ultimately, a reduction in consumer loyalty. Bank Rakyat should confront this issue by establishing a "Customer Service SWAT Team" geared at rapidly answering consumer complaints, with the goal of resolving difficulties within 24 hours. This team might act with complete transparency by establishing a public dashboard that monitors the status of pending complaints, delivering clients information and displaying the bank's priority to resolution. A rapid response time is vital for sustaining confidence and ensuring that consumers feel acknowledged and appreciated. Boston Consulting Group (2023) says that the execution of such a program can considerably boost customer satisfaction and build enduring loyalty by displaying the bank's dedication to promptly and effectively addressing challenges.

4.4 Elevated Regulatory Compliance Expenditures

The banking sector is tightly regulated, and maintaining compliance with an ever intricate variety of local and international standards may be a tough and expensive task. Bank Rakyat is predicted to see a rise in expenditures associated to compliance with regulatory standards, particularly if new legislation governing digital banking, consumer protection, and anti-money laundering are enacted. Non-compliance may lead to hefty fines, reputational harm, and legal battles that could restrict the bank's operations and expansion. To mitigate this risk, Bank Rakyat should invest in regulatory compliance technologies, particularly AI-driven solutions, which can simplify real-time monitoring of regulatory changes and automate compliance reporting. By integrating these technologies, Bank Rakyat may streamline its compliance operations, decrease expenses, and assure adherence to all relevant legislation. PwC (2021) claims that banks can reduce the financial and operational burden of regulatory compliance by implementing innovative technological solutions that facilitate the maintenance of current compliance records.

4.5 Disruption Caused by Digital-Only Banks

The advent of digital-only banks, typified by GXBank, offers a substantial challenge to conventional banking companies such as Bank Rakyat. These fintech-driven systems are built to work with decreased overhead expenses by removing physical branches and providing a purely digital banking experience. This technique targets younger, digitally savvy clientele who are used with doing all their financial activities online. In response to this threat, Bank Rakyat might contemplate forming a digital-only subsidiary, named "Rakyat Digital Bank," which would concentrate on offering new digital banking services while sticking to the cooperative ideals of the core brand. By building a digital-only branch, Bank Rakyat can capitalize on the increased demand for digital-first banking solutions and serve a new generation of clients that value a totally online experience. McKinsey & Company (2023) indicates that digital-only banks are increasing popularity, prompting traditional banks to undergo digital transformation to risk losing market share.

CONCLUSION

My internship at Bank Rakyat has been an experience that I will never forget. It presented me with the opportunity to acquire practical experience in the operations of one of the most important Islamic banks in Malaysia. In addition to expanding my knowledge of Shariah-compliant banking and small and medium-sized firm (SME) financing, I also learnt practical skills such as document preparation, organization, and professional communication within the context of this course.

Although I encountered problems such as managing my time properly, overcoming hurdles to communication, and performing manual processes, I was able to overcome these issues, which taught me the necessity of being resilient, adaptive, and continuously developing. My regard for the role that Islamic finance plays in economic empowerment, particularly for small and medium-sized firms (SMEs), was increased by my internship, and it inspired me to continue making contributions to this subject in the future.

The opportunity to study and develop in such a dynamic environment is something for which I am tremendously grateful, and I am delighted to put these acquired knowledge and abilities to use as I progress in my professional life.

APPENDICES



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