

Mahdia (Well Guided) Banking Model: Sustainable Banking Model

Sheakh Reyad Muhammad Noor
S.S. CORPORATION, Bangladesh

Abstract

The aim of this study is to explore the extent to which banking model would support sustainable banking practice. The study has been guided by the objectives to evaluate the present banking and their problems, necessity of new banking model, description of the new model, benefit of new model and finally limitation of proposed model. For the purpose of the study, descriptive research designed has been focused on selected business which is in operation and formed as per conventional and Islamic way. Data has been collected mainly through depth interview of bankers and customer of banks. Secondary data has also been used by reviewing the bulletins, newspapers and articles from national and international journals. A sample been selected by using stratified random sampling method. Results of the findings of the study have shown that existing model in in crisis and reinvention for sustainable banking practice. Moreover, economy is running based on interest against borrowing but interest-based economy has several problems, like definite expenditure in compound ways but business has uncertainty in earning profit. Area and purpose of business should not only profit maximization but also welfare based, employee should be treated as a family member of business enterprise, Corporate Social Responsibility (CSR) should be structured and defined distribution policy and fair taxation policy to be maintained by the banks. Finally, the study concludes the proposed banking model will support to make a sustainable banking practice.

Keywords: Existing Banking, Deficiency, Deals with Goods, Human Welfare, Sustainable Banking