

ABSTRACT

In today's globally integrated economic environment, banks contribute substantially in the economic development process of every country. The success of the overall organizations depends on how well their employees are performing their jobs and to what extent they are contributing towards the organization. Therefore it is imperative that the managers realize the role and importance of the Performance Appraisal System and its implications. In light of this understanding, this research study has been conducted to gather a sound knowledge of the different criteria that is considered to be important to the effectiveness of the Performance Appraisal System.

This study begins with an elaborate introduction of Bangladesh and its banking sector, which provides a deeper understanding of conducting this research study in the context of a developing country. A clear description of the problem statement is what are the criteria of performance appraisal system that are influencing the perception of managers from different banks to assess the effectiveness of their performance appraisal system, is conveyed here that leads the reader to visualize the problem of the research study. Most importantly, the research objectives, which are: 1) To identify the different criteria that are critical for the effectiveness of performance appraisal system of the banks in Bangladesh, 2) To find out the relationships between the different criteria and the bank managers' perception towards the effectiveness of the performance appraisal system, 3) To identify the performance appraisal criteria that are most critical and important for the effectiveness of the performance appraisal system and 4) To identify whether there is any difference among the three type of bank manager's perception to criteria for the effectiveness of the performance appraisal system.

Following the introduction, delineation of an extensive base of relevant theories and the illustration of different models furnish the literature review of this study. These theories and models are related to performance appraisal system, the process and the implications. Along these literatures, the theoretical model of previous study gives the researcher a strong base to formulate the conceptual framework for this specific research.

The chapter 'Research Framework' is given fulfillment by the illustration of the conceptual framework and the description of ways by which the factors or variables constitute the framework. There are seven independent variables, namely the Developmental Criteria, Evaluational Criteria, Economic Criteria, Freedom From Error Criteria, Interpersonal Criteria, Practicality Criteria and User Acceptance Criteria. These seven independent variables have been tested against the one dependent variable that is the perceived overall effectiveness of the performance appraisal system. Taking the three different type of banks operating in Bangladesh banking sector into consideration, twenty one hypothesis has been formulated which are of crucial concern of this study.

The methods and procedures for collecting and analyzing the needed information to conduct this study are elaborated in the 'Research Methodology' chapter. The type of research design that has been used for this study is Ex Post Facto design where the subtype used is survey to accomplish the research objectives. Secondary data for this research study has been collected from various sources including Bangladesh Institute of Banking Management (BIBM), Bangladesh Bank Library, Bangladesh Bureau of Statistics, different Journals of Human Resource Management, Applied Psychology, Personnel Psychology, Bank Parikrama and several others with numerous Textbooks. And primary data has been collected with the conduct of structured interview that involves distributing self-administered questionnaires. Non-probability sampling is the appropriate sampling design for this study where the researcher has used convenience-sampling technique to select from the sample from the target population who are the managers of three different types of banks operating in the capital city Dhaka and the port city Chittagong, Bangladesh. Determination of the sample size or the number of the respondents participating in the survey that is 375 and Bivariate analysis with Spearman's Rank Correlation to test each of the twenty one hypothesis has given this chapter a meaningful shape.

Two types of statistics, Descriptive and Inferential, have been analyzed in the 'Data Analysis and Findings' chapter. Moreover, the reliability testing that measures the variables under this study has been explicitly demonstrated in this chapter. The values of Alpha for all the variables are more than 0.60 (the minimum requirement for

reliability) and states that all the scales used to measure the variables of this research study are reliable.

Following is the chapter of 'Research Results and Discussion', which has been depicted with the test results of both descriptive and inferential statistics. The results from the hypothesis testing reveals whether there are any relationships between the seven different criteria with the managerial perception towards the performance appraisal system. Detailed interpretation of the hypothesis testing have made this research study more imperative of how certain factors do and do not act according to the theory.

Ultimately, the conclusions drawn against the three objectives and the resolution of the research problem have been illustrated in 'Conclusions and Recommendations' chapter, which draws a desirable end to this study. An effective implication has also been delineated against both academic and business point of view. Several recommendations by the researcher have been provided for the managers to have a more in depth knowledge and understanding regarding different aspects of Performance Appraisal System.