

## **Analysis of Performance Appraisal Techniques: Bangladesh Perspective**

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### **Abstract**

*Performance appraisal techniques are considered to be one of the most important management aspects in all types of public and private organizations in present day context. The study attempts to investigate and analyze the existing performance appraisal techniques in Bangladesh and suggest some measures for the improvement. To do so, 210 respondents were selected from seven different sectors. The research applies purposive sampling technique to explore the use of performance appraisal techniques in Bangladesh. The study findings show that Rating Scale (41.67%) and Management by Objectives (33.33%) were the mostly used appraisal techniques in the observed organizations. Most of the respondents (73.81%) were found to remain satisfied with their own organization's performance appraisal technique and all respondents were agreed about its usefulness in attaining goals of the organization. However, 92.86% respondents recommended that organizations in Bangladesh should use performance appraisal system in combination of more than one method.*

**Keywords:** Performance appraisal techniques, Appraisers, Appraisees, Multi Appraisal System, Combined Performance Appraisal

### **1. Introduction**

Performance appraisal techniques are now considered as one of the key contributing factors to the success of an organisation. It focuses on expected performance and employees' outcome. It is best viewed as the development of individual employees and their effort towards the attainment of organisational goals.

Employee performance appraisal is a subject of great interest in most organisations. There are several reasons behind this. First, performance appraisal decisions have belongings and consequences on works reward and recognition (Millward et al, 2000). Second, performance appraisal techniques are important for the development of the strategic human resources. Third, performance appraisal techniques act as an important managerial tool to assess employees' efficiency (Drucker, 1994).

Willhant and Cornner (2007) stated that performance appraisal is an organisational technique comprising deliberate processes for determining staff accomplishments to improve staff effectiveness. According to Dessler and Gary (2011), performance appraisal technique is evaluating an employee's performance relative to his or her performance standard that has been set by the organisations. According to Wilson and Western (2005), performance appraisal is the assessment tools that evaluate the

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individual's job performance and the compilation of action plans to encourage improved performance. In this context Armoras and Benford (2003) point out that performance appraisal is a participative process (coaching and counseling), rather than a judgmental review. Without a structured and constructive appraisal technique there is little chance of ensuring that the judgment made will be lawful, fair and accurate.

Against this backdrop, the main purpose of this research is to examine the way in which the performances of employees of the different organisations in Bangladesh are evaluated. An attempt has been made to draw a complete picture of performance appraisal techniques in Bangladesh. Principal efforts have been placed to reveal the performance appraisal techniques efficiency, whether appraisal technique in use is effective for the organisations or not.

## **2. Literature Review**

### **2.1. Genesis of Performance Appraisal**

Institutionalization of performance appraisal started as far back as the industrial revolution in the Eighteenth Century when it was used as a means of measuring organisational efficiency (Fandray, 2001). Wren (1994) affirmed that performance appraisal was incepted when Robert Owen used wooden colored block to measure the achievement of employees working in the cotton mills in Scotland at the close of work hours. During that era, it was utilized as a disciplinary mechanism for punishing poor performance (Kennedy and Dresser 2001). This resulted in the negative notation of the appraisal system which turned out to be despised by both the appraiser and the appraisee.

As a distinct and formal management procedure used in the evaluation of work performance, appraisal really dates from the time of the Second World War - not more than 73 years ago. Yet in a broader sense, the practice of appraisal is a very ancient art. Performance appraisal technique began as simple methods of income justification. That is, appraisal was used to decide whether or not the salary or wage of an individual employee was justified. The process was firmly linked to material outcomes. If an employee's performance was found to be less than ideal, a cut in pay would follow. On the other hand, if their performance was better than the expectation of the supervisor, a pay rise was in order.

Early motivational researchers were aware that different people with roughly equal work abilities could be paid the same amount of money and yet have quite different levels of motivation and performance. Stredwick (1968) showed that pay rates were important, yes; but they were not the only elements that had an impact on employee performance. It was found that other issues, such as morale and self-esteem, could also have a major influence. As a result, the traditional emphasis on reward outcomes was progressively rejected. In the 1960s in the United States, the potential usefulness of appraisal as tool for motivation and development was gradually recognized (Kuvaas, 2006). The general model of performance appraisal, as it is known today, began from that time.

Dulewicz (2009) made a study relating to the performance appraisal techniques. He told that performance appraisal is a requirement to brief the under commands on how they are working. In the absence of a carefully structured technique of appraisal, people will tend to overview the work performance of others, including subordinates, naturally, informally and arbitrarily. Performance appraisal techniques began as simple methods of income justification. That is, appraisal is used to decide whether or not the salary or wage of an individual employee was justified.

### **2.2. Role of Performance Appraisal Techniques**

According to Aziz (2012), performance appraisal techniques used for various purposes such as for professional and career development, accountability check to link with recognition and compensation references to disciplinary procedure and most commonly is as a mechanism to determine salary increment and promotion exercise. Bruch (2001) broadly divided the main purposes into two groups as a source of information for management and as a feedback instrument for individuals employed by the organisation. Performance appraisal techniques can be formulated with following objectives in mind:

- to keep records in order to determine compensation packages, wage structure, salaries raises, etc.
- to identify the strengths and weaknesses of employees to place right men on right job
- to maintain and assess the potential presence in a person for further growth and development
- to provide a feedback to employees regarding their performance and related status
- to serve as a basis for influencing working habits of the employees
- to review and retain the promotional and other training programs

### **2.3. Various Performance Appraisal Techniques**

The common performance appraisal techniques are: Rating Scale, Checklists, Critical Incident Techniques, Forced Distribution Technique, Behaviourally Anchored Rating Scales (BARS), Management by objectives (MBO), 360-Degree Appraisal etc. According to Huselid (2014), Rating Scale technique is a scale technique that lists number of traits and ranges of performance for each that is used to identify the score that best describes an employee's level of performance for each trait. Each scales ranges from excellent to poor. The total numerical scores are computed and final conclusions are derived. In Checklist method, list of statements of traits in the form of Yes or No based questions are prepared. Here the rater only does the reporting or checking and HR department does the actual evaluation (Grubb, 2007). Critical Incident techniques refer to keeping a record of commonly good or undesirable examples of all employee's work-related behaviour and reviewing it with the employee at predetermined times. The approach is focused on certain critical behaviours of employee that makes all the difference in the performance (Huselid, 2012). The forced distribution technique is similar to grading on a curve. With this method, predetermined

percentages of rates are placed in performance categories (Boachie, 2011). According to Bahrija et. al. (2012), BARS is an appraisal technique that uses quantified scale with specific narrative examples of good and poor performance. In MBO technique, it involves setting specific measurable goals with each employee and then periodically reviewing the progress made. The performance is rated against the achievement of objectives stated by the management (Bahrija et. al., 2012). 360-Degree Appraisal technique is a technique which is a systematic collection of performance data on an individual group, derived from a number of stakeholders like immediate supervisors, team members, customer, peers and self. In fact anyone who has useful information on how an employee does a job may be one of the appraisers. This technique is highly useful in terms of broader perspective, greater self-development and multi-source feedback (Grubb, 2007).

#### **2.4. Application of Performance Appraisal Techniques in Bangladesh**

Some form of performance appraisal techniques has been in practice in our geographical area since nineteenth century. Besides, these techniques used to be applied in the offices of international organisations (World Bank, ADB, JICA etc.) of Bangladesh (part of erstwhile Indian Subcontinent) since aforementioned period. The performance appraisal techniques have been introduced in most of the private organisations of Bangladesh since last two decades. There are few substantially larger private organisations who do not use performance appraisal techniques as of today.

#### **2.5. Research on Performance Appraisal Techniques in Bangladesh**

In Bangladesh, there was little research work done on performance appraisal techniques. In recent years, organisations in Bangladesh are trying to establish a 'performance culture' which includes strategies to improve both individual and team performance to the overall success of the organisation. The name of this process is given Performance Appraisal Management (Zaman and Newaz, 2001).

Absar et. al. (2007) found that most of the organisations used performance appraisal for taking various important human resource decisions. This study discussed the employee performance appraisal practices in the banking sector of Bangladesh. The study also explored the gap between the expectations and realities with respect to performance appraisal of employees in the selected banks. The study showed that the overall performance of the banks could be improved by making employees familiar with the performance appraisal tools and by valuing employees' expectations in their performance appraisal process.

In a case-study, Ahmed and Sultana (2007) explored the performance management of ANZ Properties Ltd. They found that performance appraisal was almost informal at ANZ Properties Ltd. Performance appraisal was done by observation and comments of supervisors. The company used comparative approach to judge performance of one employee against others. Based on comparison, the employees were ranked. The company relied on managers or supervisors to get performance information of the employees. At ANZ Properties Ltd., performance feedback was not given on individual

basis unless any complaint or negative comment had been raised against an employee. The best performers did not usually get any formal feedback. However, the poor performers used to get a time limit to improve their performance otherwise they would be terminated.

A case-study was conducted on the overall personnel management (HRM) practices of Khulna Hard Board Mills (Taher, 1992). It discussed about the human resource management related issues. The researcher unearthed different problems related to personnel management practices of the mill such as conflicts in personnel department, disproportionate span of supervision, inappropriate grade, high rate of absenteeism, antagonistic feeling of local workers, inadequate training programs, lack of skill audit, nepotism and favouritism in promotion and selection of employees, poor industrial relations, inadequate compensation, and poor safety and health services. They also identified some problems such as infrequent feedback, lack of effectiveness metrics, lack of integration and coordination, inconsistent ratings, managers being not trained etc. which were related to the performance appraisal system.

The above literature survey reveals that, like other developing countries, performance appraisal techniques as an area of research have not received proper attention in Bangladesh. A few numbers of researches were conducted focusing on performance appraisal process not appraisal techniques. Most of the previous studies have focused on performance appraisal process of only one organisation or only one specified sector. Earlier studies which were conducted in Bangladesh did not reveal any workable analysis and recommendations about the performance appraisal techniques being used in the country. Thus, basing on this research gap this paper attempts to investigate and analyze performance appraisal techniques being used in Bangladesh and outlays some suggestions for the improvement.

### **3. Objectives**

The objectives of the study are:

- To investigate existing performance appraisal techniques in Bangladesh
- To analyze the present performance appraisal techniques in Bangladesh, and
- To suggest for the improvement of performance appraisal techniques in Bangladesh.

### **4. Research Methodology**

#### **4.1. Design and Strategy of the Research Paper**

The study has been conducted with an empirical research design and survey method. At the time of questionnaire survey, interview method has been applied to collect relevant information from respondents to conduct the research. This paper is prepared with primarily quantitative analysis in focus but substantial qualitative aspects are also covered.

#### 4.2. Sampling Technique and Survey Instruments

A purposive sampling technique was followed to collect data and information from twenty-one organisations of seven different sectors in Bangladesh where experienced Chief Executive Officers/Human Resource Managers and their own employees were treated as respondents and they were selected by judgment method.

Related survey for this paper is carried out only in Dhaka City and involving a total of 210 respondents, out of which 10 respondents were from each organisation (5 Appraisees and 5 Appraisers). Structured questionnaires were distributed to the respondents and due briefing was given in person/over telephone to assist them in answering the questions. We have distributed questionnaires to 252 respondents of twenty-one organisations out of which we have obtained 223 responses. Received filled in questionnaires were rounded to 210 for the ease of quantitative analysis, in the process 13 filled in questionnaires are discarded in random method. The individual chosen to answer the questionnaire was assumed to have substantial knowledge in performance appraisal techniques. For this study, the Chief Executive Officers (CEO)/Human Resource (HR) Managers who are known to be as Appraiser and mid to bottom level employees known to be as Appraisee.

Table-1: Allocation of Sample Size

Name of the sectors	Name of the Organisations	Sample size
Banking	Dutch-Bangla Bank Ltd., NRB Bank Ltd. and World Bank (BD Office)	30
Insurance	MetLife Bangladesh, Delta Life Insurance Company Ltd. and Popular Life Insurance Co. Ltd.	30
Information & Technology	System Solutions and Development, Information Services Network Ltd. and Aamra technologies limited	30
Power	Dhaka Electric Supply Company Ltd., MJL Bangladesh Limited and China Leike Power Supply (BD) Ltd.	30
Education	University of Dhaka, Bangladesh University of Professionals (BUP) and Jagannath University	30
Telecommunication	Grameenphone Ltd., Banglalink and Teletalk Bangladesh Ltd	30
Pharmaceutical	Incepta Pharmaceutical Ltd., Square Pharmaceuticals Ltd. and Eskayef Bangladesh	30
Total=		210

### **4.3. Data Collection**

All the information incorporated in this article has been collected both from the primary sources as well as from the secondary sources. Also, some data and information were collected through observation method.

#### ***4.3.1. Primary Data Collection***

A structured questionnaire was developed on the basis of some indicators to which the respondents were asked to put the tick mark against the dichotomous questions (Yes or No), 3-point Likert scale ranging from 3 (satisfied) to 1(dissatisfied) questions and also asked to put the qualitative data in given spaces.

#### ***4.3.2. Secondary Data Collection***

Secondary information have been collected from Ministry of Industries' website, Bangladesh Bank (BB) website, book reviews, different academic books, national and international journals, papers, proceedings, magazines etc.

### **4.4. Data Processing and Analysis Technique**

The collected data were tabulated for the purpose of analysis and were analyzed in percentage. Once the data were collected, they were transformed and summarized in such a way that results can be interpreted and communicated in a brief and comprehensive manner. In order to meet the objectives, the analysis of the data also followed the descriptive statistics and in some cases graphing through the MS Excel. Differences on demographic variables were also examined and analyzed in detail through the MS Excel.

### **5. Findings and Discussions**

The findings of the study have been discussed under the following heads.

#### **5.1. Respondents**

The employees of twenty-one organisations of seven different sectors were treated as respondents of the present paper. They were from top-level employees who are the Appraisers (CEO and HR Managers) and mid to bottom-level employees who are Appraisees. Respondents were requested to rate their perceptions and opinions regarding performance appraisal techniques with various demographic information. The demographic characteristics of respondents are frame-worked below:

Table-2: Sample Characteristics of Demographic Information of Respondents

Demographic Features		Number of Respondent's	%
1.	Respondent's Gender (in number)		
	Male	136	64.76
	Female	74	35.24
		<b>210</b>	<b>100%</b>
2.	Respondent's Position (at level)		
	Appraiser (Top level)	50	50%
	Appraisee (Mid to bottom level)	50	50%
		<b>100</b>	<b>100%</b>
3.	Respondent's Age (in years)		
	25-35 yrs	33	15.71
	36-45 yrs	108	51.43
	40 yrs and above	69	32.86
		<b>210</b>	<b>100%</b>

Source: Field Investigation

Table-2 represented that the maximum number of employees are male (64.76%). Percentage of appraiser and appraisee was equal (50% each). The above table also lucidly represents that maximum number of respondents were in the age group of 36-45 years.

## 5.2. Necessity of performance appraisal for an organisation

Table-3: Necessity of Performance Appraisal System

Application of appraisal system for an organisation	Frequency	Percentage of Respondents (%)
Highly Required	210	100%
Partially Required	0	0%
Not Required	0	0%

Source: Field Investigation

The analysis reveals (Table-3) that 100% of the respondents said that the application of performance appraisal system for an organisation in Bangladesh is highly required. Performance appraisal system for an organisation can play an effective role for attaining organisation's goal. Performance Appraisal system is needed because every employee has a different attitude to handle the work. Performance Appraisal tends to



improve the work performance, communication expectations, determining employee potential and aiding employee counseling.

### 5.3. Evaluation Period of Performance Appraisal

Table-4: Evaluation Period of Performance Appraisal basing on Studied Organisations

Evaluation Period	No of Organisation	Percentage of Respondents (%)
Quarterly	3	14.29%
Half Yearly	3	14.29%
Annually	15	71.42%
	<b>21</b>	<b>100%</b>

Source: Field Investigation

In terms of evaluation period of performance appraisal, it is observed (Table-4) that 71.42% organisations use performance appraisal annually whereas 28.58% of the organisations conduct appraisal either half yearly or quarterly.

### 5.4. Types of Performance Appraisal Techniques Used by the Organisation

Table-5: Types of Performance Appraisal Techniques Used by the Organisation

Serial no	Types of Performance Appraisal Techniques	Number of Organisations (Frequency)	% (Percentage)
1.	Rating Scale	15	41.67%
2.	Critical Incident Method	0	0%
3.	BARS	3	8.33%
4.	MBO	12	33.33%
5.	360-Degree	6	16.67%
6.	Others	0	0%

Source: Field Investigation

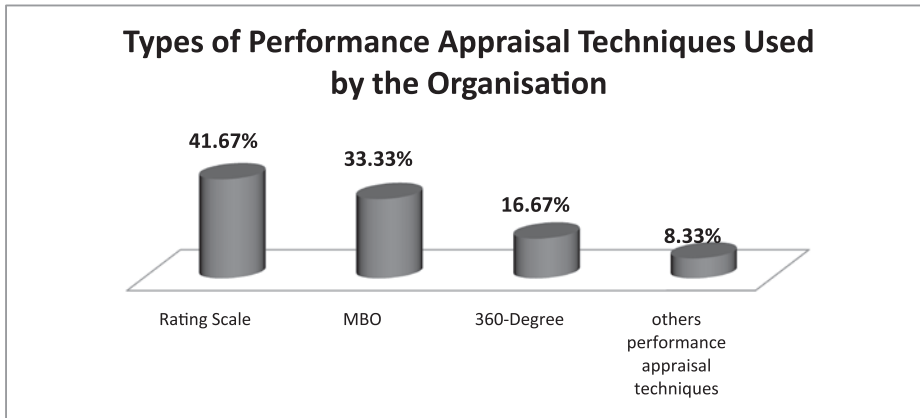


Figure-1: Types of Performance Appraisal Techniques Used by the Organisations  
Source: Field Investigation

In terms of techniques of performance appraisal used, it is observed (Table-5 and Figure-1) that some organisations apply two techniques for different classes of employees. Among the various techniques, Rating Scale is found to be practiced by most (41.67%) of the organisations, followed by MBO (33.33%), 360-Degree (16.67%) and remaining 8.33% use others performance appraisal techniques. All employees are aware about techniques used for evaluating their performance.

### 5.5. Use of Different Appraisal Techniques for Different Classes of Employees in Same Organisation

Table-6: Use of Different Appraisal Techniques for Different Classes of Employees in Same Organisation

Use of Different Appraisal System for Different Classes of Employees	Number of Organisations (Frequency)	Percentage of Respondents (%)
Yes	15	71.43%
No	6	28.57%

Source: Field Investigation

It is observed (Table-6) that 71.43% of the organisations use different performance appraisal techniques for their different classes of employees, whereas 28.57% organisations use only single performance appraisal technique.

Table-7: Percentage wise Techniques Used by the Organisations for the Officers Class  
(within the Two Techniques Using Organisations)

Serial no	Types of Performance Appraisal Techniques	Number of Organisations (Frequency)	% (Percentage)
1.	Rating Scale	3	20%
2.	Critical Incident Method	0	0%
3.	BARS	0	0%
4.	MBO	9	60%
5.	360-Degree	3	20%
6.	Others	0	0%

Source: Field Investigation

Table -8: Percentage wise Techniques Used by the Organisations for the Below Officers Class (within the Two Techniques Using Organisations)

Serial no	Types of Performance Appraisal Techniques	Number of Organisations (Frequency)	% (Percentage)
1.	Rating Scale	9	60%
2.	Critical Incident Method	0	0%
3.	BARS	0	0%
4.	MBO	3	20%
5.	360-Degree	3	20%
6.	Others	0	0%

Source: Field Investigation

From the Table-6, 7 and 8, it was found that 71.43% of the sample organisations use different appraisal techniques for their different classes of employees. Within those organisations 20% of them use Rating Scale techniques for the officers and 60% organisations use same technique for the below officer level employees. MBO and

360-Degree techniques are used for the officers in 60% and 20% of the organisations respectively. From among the Two-Technique using organisations, none of the sample organisations uses Critical Incident Method and BARS techniques for any classes of employees.

### 5.6. The Level of Satisfaction about Own Organisation’s Performance Appraisal Technique

Table-9: Level of Satisfaction about Own Organisation’s Performance Appraisal Technique

Satisfaction Level	Frequency	Percentage of Respondents (%)
Satisfied	155	73.81%
Neutral	43	20.48%
Dissatisfied	12	5.71%
	<b>210</b>	<b>100%</b>

Source: Field Investigation

Analysis made with reference to the Table-9 reveals that that most of the employees are satisfied with their performance appraisal techniques. Percentage of satisfaction is 73.81% whereas 20.48% of the respondents are neutral and 5.71% respondents are found dissatisfied.

### 5.7. Findings in related to Whether Organisations of Bangladesh Should Use the Performance Appraisal Technique in Combination form or otherwise

Table-10: Whether Organisations of Bangladesh Should Use the Performance Appraisal Technique in Combination form or otherwise

Organisations of Bangladesh to Use the Performance Appraisal Technique in Combination form	Frequency	Percentage of Respondents (%)
Yes	195	92.86%
No	15	7.14%
	<b>210</b>	<b>100%</b>

Source: Field Investigation

It is observed (Table-10) that 92.86% of respondents think that organisations in Bangladesh should use performance appraisal system in combination of more than one technique. Only 7.14% of the respondents gave opposite opinion.

### 5.8. Challenges in Preparing and Executing the Appraisal Techniques

Table-11: Challenges Faced by the Appraisers and Appraisees

Challenges	Frequency	Percentage of Respondents (%)
Lacking in clearly stated setting of standard	57	27.14%
Insufficient knowledge of appraisers and appraisees about appraisal system	15	7.14%
Lack of proper training	3	1.43%
Lack in having sufficient knowledge about subordinate	6	2.86%
Not knowing Legal issues and organisational culture by both appraiser and appraisee	123	58.57%
Others	6	2.86%
	<b>210</b>	<b>100%</b>

Source: Field Investigation

As far as challenges are concerned, 58.57% of the respondents are found to have stated that the big challenge is not knowing legal issues and organisational culture by both appraiser and appraisee properly. 27.14% of the respondents said that, lacking in clearly stated setting of standard is another challenge faced while preparing and executing the appraisal techniques. The survey reveals that insufficient knowledge of appraisers and appraisees about appraisal system is another challenge (7.14%).

### 5.9. Ways to Overcome Challenges Faced by the Appraisers and Appraisees while Preparing and Executing the Appraisal Techniques

The respondents suggested following ways to overcome the challenges listed under paragraph 5.8.

Table-12: Ways to Overcome Challenges Faced by the Appraisers and Appraisees

Measures	Frequency	Percentage of Respondents (%)
The standards should be written in terms of specific measurable factors	96	45.71%
Acquiring sufficient knowledge by the appraisers and appraisees about appraisal system	12	5.71%
Having proper training	3	1.43%
Having sufficient knowledge about subordinate	9	4.29%
Knowing legal issues and organisational culture by both appraiser and appraisee	87	41.43%
Others	3	1.43%
	<b>210</b>	<b>100%</b>

Source: Field Investigation

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45.71% of the respondents stated that the standards of performance appraisal should be written in terms of specific measurable factors. 41.43% of the respondents opined that legal issues and organisational culture by both appraiser and appraisee have to be learned to overcome the challenges during the time of preparing and executing the appraisal.

### 5.10. Organisation Based Sector-wise Suggestions of Combined Performance Appraisal Techniques

Table-13: Organisation Based Sector-wise Suggestions of Combined Performance Appraisal Techniques

Name of the Sector	Class of Employee	Appraisal Technique in Use	Combined Appraisal Technique Suggested
Banking	Officer	MBO	MBO/360-Degree
	Below Officer	Rating Scale	No suggestion
Insurance	Officer	Rating Scale	Rating Scale/360-Degree
	Below Officer	MBO	MBO/Rating Scale
Information & Technology	Officer	MBO	MBO/360-Degree
	Below Officer	Rating Scale	No suggestion
Power	Officer	BARS	BARS/360-Degree
	Below Officer		Rating Scale/Check List
Education	Teacher	Rating Scale	360-Degree
	Officer & Others		No suggestion
Telecommunication	Officer	MBO	No suggestion
	Below Officer	Rating Scale	
Pharmaceutical	Officer	MBO	No suggestion
	Below Officer	Rating Scale	

Source: Field Investigation

On the basis of respondents' (Table-10,11 and 12) observations, to make performance appraisal more effective, organisations should consider combined appraisal technique in combination of two techniques instead of single one. At present, power and education sectors use single appraisal system. BARS technique is used in power sector for all employees. Respondents of this sector think that it would be better for organisations to

use some combined technique of BARS and 360-Degree for officer and Rating Scale and Check List techniques for below officer level. In education sector, Rating Scale is used for all employees. Respondents of this sector think that it would be better for organisations to introduce 360-Degree appraisal technique for the teachers and another one technique or combined technique for rest of the employees.

## **6. Recommendations**

Basing on the research, the following aspects are recommended:

- Performance appraisal technique need to be determined after examining the organisation's vision, mission, objectives and goals.
- Performance appraisal technique need to be formulated/selected basing on the clear understanding and analysis on advantages and disadvantages of the concerned appraisal techniques.
- In order to introduce more dynamic performance appraisal technique, organisations may also consider evolving combined appraisal technique in combination with best suited two or more techniques. Combined performance appraisal technique helps counteract the problem that a single appraisal technique has with limited single perception input. More perception input creates a better-rounded picture for the employee's performance. Multiple appraisal system provides a form of 'triangulation' that results in ratings in which appraisees and appraiser have greater confidence. In Bangladesh, different organisation appraises the performance of its different classes of employees in different ways. It is suggested that organisations should consider applying combined appraisal technique instead of single one. As example, the education sector has to evolve combine technique, if not at least they should introduce 360-Degree Appraisal Technique (a kind of combined technique) for the teachers and another one technique or combined techniques for rest of the employees.
- Performance appraisal standards should be objective, measurable, realistic and stated clearly in writing. The standards should be written in terms of specific measures. While performance factors detect employees what they have to do, the standards tell them how well they have to do it. It is a management approved expression of the performance requirement(s) or expectation(s) that must be met to attain at a particular level of performance. An appraisee and appraiser should be informed and described about the standards. This will help appraisees to understand their roles and in knowing what exactly is expected from them.
- Legal issues and organisational culture by both appraiser and appraisee have to be learned to overcome the challenges during the time of preparing and executing the performance appraisal techniques. Legal issue and organisational culture is a very important factor for the effectiveness of the organisations. For that the organisation should practice right culture with supportive legal issues which drive employee to work hard for attaining organisational goals.

- Organisations to re-examine the appraisal technique(s) periodically to ascertain its continued relevance.

## 7. Conclusion

Performance evaluation is the key factor in improving the quality of staff and make them more engaged. In many organisations in Bangladesh analyses/results of the appraisal are used either directly or indirectly, to help determine promotion, compensation, benefits and other rewards. In other words, the appraisal results are used to identify better employees who should get the merit pay increases, bonuses and promotions. By the same token, appraisal results are used to identify the poor performers who may require some form of counseling or training, or in extreme cases, demotion, dismissal or decreases in pay. One or more technique of performance appraisal within the organisation is required to facilitate exchange of information to and from the employees. It is also instrumental to establish and uphold the principle of accountability, which ensures that each employee in the organisation is held answerable for his/her job. So, it is important to practice effective appraisal techniques in the organisation and share the information with the employees. Designing an effective appraisal technique call for making decisions in a number of areas like frequency of appraisal, purpose of use, criteria to be evaluated, methods of evaluation, method(s) of feedback to the employees and so on.

There are several techniques that are followed for performance appraisal. It is very hard to state which technique is better in comparison to others, since it depends on the type, size and nature of the organisation. Every performance appraisal technique has its own pros and cons. People have different levels of skills, abilities and aptitudes and there is a great need to have suitable performance evaluation technique to measure the relative merit of each employee in an organisation. Keeping the advantages and disadvantages of the various techniques in view, an organisation may attain dividend by evolving a combined performance appraisal technique to suit its vision and mission. For instance, education institutes may introduce 360-Degree Appraisal Technique for the teachers and another one technique or combined technique for rest of the employees. Practice of a prudent performance appraisal technique will certainly help an organisation to acquire the best outcome from its human resources and augment in attaining organisational goal.

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