

Executive Summary

Bangla CAT is the dealer of Caterpillar Inc in Bangladesh. **Bangla CAT** has more than 2500 corporate customer. Within the industrial sector, **Bangla CAT** is the largest provider of independent power generation solutions in Bangladesh and one of the largest Caterpillar gas engine dealers globally. **Bangla CAT** has more than 2500 corporate customers.

Bangla Cat has its own performance management system. It uses 360 Degree Feedback to evaluate its employees. At the starting the company selects the person who will evaluate whom. Then it starts its process. Employees are oriented about the whole process. Then they are provided the tools for evaluating their supervisors, peers or subordinates. When employees complete evaluating each other the forms are collected to make the results. As the results are completed it is distributed to all the associates.

The outcome of the performance management system of **Bangla CAT** is huge. Because of this process it can identify the training and learning needs of the employees. As a result individual improvement is ensured. With the help of this system the company can take motivational programs for the employees. The performance management system helps to enhance the **Bangla CAT**'s values. It helps the company to achieve its organizational goals. So the system is very important for both employees and organization.

Goal setting theory is following from 2011 in **Bangla CAT**, before using the goal setting theory Key Performance Indicators (KPI) was used. KPI is a performance appraisal system that is used to identify the functional area of an employee. It provides the guidelines to improve the skill and knowledge in the functional areas of the company. In KPI the employee was evaluated by himself and his supervisor. The employee used to evaluate his activities that he has performed throughout the whole year. But it didn't capture the whole area of appraisal systems so the company decided to use a new system that is goal setting.

Most of the employees of the **Bangla CAT** think that the current system is good for the organization but still it needs to be improved. The authority should pay attention to the

authenticity related issues of the system. As the competition is becoming higher and higher **Bangla CAT** should keep some changes in the system. While processing the system **Bangla CAT** should take the opinion and views of the employees. As a result the system would be more productive.

A company's success depends on the employees. If the employees are satisfied the company will go longer. If the employees are not satisfied the company's performance will go down. It is performance appraisal system that helps an organization to understand its employee needs and demands that are helpful for both organization and employee. While appraising employee performance **Bangla CAT** should consider this matter which will be very effective for its overall success.