

Inefficiency patterns amongst different types, and generations, of Bangladeshi Banks

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Abstract

In a recent paper, Asmild, Kronborg and Matthews (2015) introduced the concept of Inefficiency Contributions, which enable formal analysis of which variables contribute more or less to the overall level of inefficiency. In this paper we apply this methodology to a data set of Bangladeshi Banks. The results show, not surprisingly, that there are differences between governmental banks and other banks in where the inefficiency is mainly located. But, more interestingly, they also show that there are differences in the patterns of inefficiency amongst different generations of conventional banks.

Keywords: Data Envelopment Analysis (DEA), Multi-directional Efficiency Analysis (MEA), inefficiency contributions, inefficiency patterns, statistical tests, banking.