



EFFECTIVENESS OF PERFORMANCE APPRAISAL PROCESS AND STAFF PERFORMANCE OF A COMMERCIAL BANK IN SRI LANKA

Isuru Wikum Pemmawadu^{1}, Indika P. Kaluarachchi²*

¹CEMBA – The Open University of Sri Lanka

²University College of Matara, Sri Lanka

Performance Appraisal (Evaluation) is considered the most significant and indispensable tool for an organization. It provides useful information in making decisions regarding various personnel aspects such as promotions and merit increases. This research was conducted to identify the factors affecting staff performance and its impact on staff performance. The role of the supervisor, nature of evaluation, communication and evaluation time frame were identified as the predictors of staff performance as per the literature. The study was directed by a quantitative methodological approach using a sample of 100 staff members of the Uva Sabaragamuwa region in a local commercial bank of Sri Lanka. Data were collected through a questionnaire and were analysed using correlation and regression analyses. As per the findings, time duration and communication have significant positive effects on staff performance. Meanwhile, 65.7% of the variation in staff performance is explained by the effectiveness of the performance evaluation process.

Keywords: Staff Performance, Effectiveness of Performance Evaluation Process, Role of Supervisor, Nature of Evaluation, Communication, Evaluation Time Frame

**Corresponding author: isurubg@yahoo.com*