

**STUDY OF IMPACT OF PERFORMANCE APPRAISAL
SYSTEMS TOWARDS EMPLOYEE PERFORMANCE
AND ORGANIZATIONAL EFFECTIVENESS OF
“RURAL BANKING SECTOR” IN UVA PROVINCE**

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Supervisor's declaration

*This dissertation is submitted as a partial fulfillment of the degree of Bachelor of
Business Management in Entrepreneurship and Management*

approved by the Course Committee of Entrepreneurship and Management of Uva Wellassa University, the research was conducted in accordance with the regulations of degree programme. The contribution made to the research by me and other members of the Course Committee of Entrepreneurship and Management was consistent with normal supervisory practice. Further, external contributions to the research are acknowledged.

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Year 2010

ABSTRACT

Study of Impact of Performance Appraisal Systems towards Employee Performance and Organizational Effectiveness of “Rural Banking Sector” in Uva Province¹

Key words: Human Resource Development, Performance Appraisal Systems, Employee performance, Organizational effectiveness, Training and Development

As there is a significant importance of the rural banking sector to the SriLankan economy, this research was conducted with the objectives to understand the existing performance appraisal systems and to identify the impact of performance appraisal systems towards employees performance and the organizational effectiveness whereas to analyze the relative contribution of performance appraisal systems towards employees performance and organizational effectiveness in rural banks in Uva province. Accordingly questionnaire and direct interviewing method were employed to collect the primary data from 120 employees of the rural banking in the Uva Province. Further internal reports of the employee reward systems and publications of selected banks were used as secondary data collection method. The findings showed that there is positive impact between the performance appraisal systems and the employee performance as well as with the employee performance and the organizational effectiveness. The rural banking sector mostly follows the confidential report methods while ignoring other highly acceptable appraisal methods.

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