

**AN ASSESSMENT OF EMPLOYEE PERFORMANCE APPRAISAL
PRACTICES OF SELECTED STATE CORPORATIONS IN
SRI LANKA**

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Scope of the Research

Socio-economic development of our country depends heavily on the productivity of all the organizations. Among the resources which enhance productivity, human resource is very significant and an organization can increase productivity up to a point by improving the performance of its human resources. Whether or not an organization is successful largely depends on how effectively employees perform their jobs (Heneman III and Schwab, 1982, p. 65)

It is generally accepted that the level of productivity of many state corporations operating within the industrial and commercial structure in Sri Lanka is low and/or on the decline. In many cases, public enterprises were seen to show heavy losses, they were charged with inefficiency and slack performance and of being a burden on the state and on the treasury (Corea, 1988, p. 4). The Employees' Performance (EP) has become a key cause for this unfavourable condition. There have been no effective Employee Performance Appraisal (EPA) practices and systems which measure, develop, and control the performance of human resources. Consequently the success of the corporations and welfare of the employees are being jeopardized.

This study deals with an assessment of EPA practices of selected state corporations in Sri Lanka and is a formal personnel audit effort to assess the current state of EPA in the organizations selected. There is perhaps not a more important human resources system in organizations than performance evaluation and supervisors' ratings of subordinates' performance represent critical decisions that are key influences on a variety of subsequent human resources actions and outcomes (Judge and Ferris, 1993, p. 80). It is expected that the outcome of this research will primarily be important for the types of organizations selected for the purpose of the research and they will be in a position to assess the merits and demerits of their EPA practices and to take necessary steps to improve their validity and reliability vis-a-vis the achievement of objectives.

Objectives of the Research :

This research attempts to accomplish the following two objectives.

- (i) To explore and describe the EPA practices in the selected corporations.
- (ii) To assess EPA practices in the light of theoretical formulations and comment on major defects in EPA in the selected corporations.

Methodology :

The study was based on review of literature and a field survey of selected state corporations. Data were gathered from theoretical models, concepts and findings of secondary sources. Empirical data were collected through a self-administered comprehensive questionnaire and interviews.

For the purposes of the research four state corporations were selected. Three corporations were manufacturing based and one was a service corporation. The EPA practices in this research study were the practices being operated by the four selected corporations at the time the research was undertaken. Any subsequent change in practices is not taken into consideration. The four corporations are identified as cases A, B, C, and D without revealing their real names.

The research commenced to descend the ladder of abstraction in clarifying concepts when the main concept Employee Performance Appraisal had been defined theoretically in the act of conceptualization. EPA was conceptualized as a system. Employee Performance Appraisal System (EPAS) was defined as a series of interrelated elements such as the objectives EPA can serve, policies on EPA, PA criteria and measurement standards, methods used to appraise, appraisal interview/feedback, appraiser training, procedures and practices set up to ensure that EPA is done accurately and existing methods for reviewing the effectiveness and efficiency of the total system (Review and renewal). Through the survey of current literature a theoretical framework with respect to an ideal/systematic EPAS was developed and used to assess current EPAS being applied by the selected state corporations. A summary of the theoretical framework is given in the following exhibit.

Exhibit : Theoretical framework of Ideal EPAS —

Elements (variables)	Sub variables (sub elements)	Indicators (operational definitions)
1. Objectives	1.1. Administrative purposes	<ul style="list-style-type: none"> — To grant salary increment — To select employees to be promoted — To take disciplinary action — To terminate/confirm employment — To validate selection tools — To reward employees
	1.2. Development purposes	<ul style="list-style-type: none"> — To identify potential performance — To counsel employees — To select employees for training — To assess results of training programme
2. Policies on EPA	2.1. When should PA be done?	<ul style="list-style-type: none"> — Fixed day approach (Appraising all the employees on or near a fixed calendar date at the same time) / Completion of a Job cycle
	2.2. How often should PA be done?	<ul style="list-style-type: none"> — Conducting formal appraisal at least twice per year
	2.3. Who should do PA?	<ul style="list-style-type: none"> — Appraisal by the immediate superior as the basic appraisal source
	2.4. Use of separate Appraisal forms	<ul style="list-style-type: none"> — Using separate appraisal forms for at least managerial employees and non-managerial employees
3. PA Criteria	3.1. Type	
	3.1.1 Objective	<ul style="list-style-type: none"> — Quantity of work — Punctuality — Attendance — Number of disciplinary actions — Other related criteria depending on the job
	3.1.2 Subjective	<ul style="list-style-type: none"> — Quality of work — Cooperation — Integrity — Knowledge — Dedication — Other criteria depending on the job

- 3.2. Focus — Should be on work performance rather than person's traits
- 3.3. Development — Through job analysis
- 3.4. Performance standards— Should indicate rating scales and should be systematic plus attainable
-
4. Method
- 4.1. Content of Appraisal — Identification data such as name, department, etc.
 — Instructions
 — Appraisal on results (Quantity and quality of output), Abilities (knowledge, creativity and other traits) and behaviours (punctuality, attendance, general conduct etc.).
 — Comments of appraiser
 — Notes on present deficiencies and action to be taken to fulfil potential shown or correct deficiencies
 — Comments of reviewing officials
 — Comments of appraisee on appraisal
- 4.2. Procedure of appraisal — Weighting according to the significance of each criterion
 — Overall score computation (mathematically the weighted mean of the ratings)
-
5. Feedback Interview
- 5.1. Effectiveness of preparation
- Appraiser understands thoroughly his/her responsibilities
 - Appraiser reviews the appraisee's performance for a given period
 - Appraiser reviews of appraisee's qualifications, previous experience, previous performance appraisals and plans.
 - Scheduling so that appraiser and appraisee agree upon an appropriate date and time for the interview.
 - Selecting a neutral private location (neither the appraiser nor appraisee's work place)
 - Informing the appraisee of the interview sufficiently in advance

5.2. Effectiveness of conducting

- **To open**
- Tell appraisee that this is to improve performance not to discipline
- Emphasise positive aspect of appraisee's performance
- Make the appraisee's performance known at once if it is outstanding. If it is not or unsatisfactory avoid to tell the overall rating at the outset.
- **To discuss**
- Stress that participation of both is vital to a successful interview
- Make criticisms specific, not general and vague
- Stay calm and not argue with the appraisee
- Focus criticism on performance and not personality characteristics as much as possible
- Identify specific actions that can be taken by the appraisee to improve performance. (emphasize on a plan of action)
- **To end**
- Close the interview after clarifying what intended to cover and ascertaining that the appraisee has had a chance to review the issues

6. Appraiser Training

6.1. Appraiser's manual

- A well constructed manual includes
- Section I : Introduction (Appraisal and its purposes)
 - Section II : How to prepare reports of performance
 - Reporting officers
 - Reporting periods for various kinds of employees
 - The mechanics of the appraisal process
 - Section III : The report on probationers
 - Section IV : Comments (Importance of the "Comments" section and what to include in it).
 - Section V : Record keeping

6.2. Classroom instructions

- Section VI : Discussing the appraisal with the appraisee
- Section VII : Your continuing responsibility for performance appraisal
- Appendix—This includes samples of completed performance reports for a variety of occupations and situations

A dynamic program includes :

- A directed group discussion of leadership theories and practices.
- Group discussion of the problems and pitfalls of PA.
- A review of the plan's objectives & procedures
- Practice in writing performance standards
- Practice in evaluating performance
- Role playing sessions in which appraisee conduct appraisal interview after which their performance is criticized by the other participants.
- Discussion on improving performance. (Identifying performance gaps, determining the causes of performance deficiencies, and strategies to improve performance).

7. Procedure for ensuring accurate implementation

- To evaluate and interview the employee at a point most distant in time from his/her salary review.
- To complete appraisal report from at least in duplicate.
- The appraisal form is reviewed by at least one higher management level before it becomes official.
- If there is no significant compelling reason, appraisal reports remain confidential.
- To provide the employee with an opportunity to appeal against an appraisal made by his/her superior.
- To recognize and reward evaluators for accurate appraisal
- Responsibilities for administering
- Personnel department
- Designs and initiates PAS
- Makes sure reports are completed and processed punctually

- Trains appraisers
- Audits the PA program for uniformity of administration, efficiency of operation and the validity of results
- Conduct research to discover methods of improving the program.
- Operating Managers
- Actively evaluate performance of employees
- Make formal reports
- Review appraisals with employees.
- Top management :
- Communicates the significance of PA at all levels
- The chief executive is directly responsible for any failure in EPAS.

8. Review and Renewal

Find out whether the EPAS is being carried out the way it was planned and to determine whether improvements can be

- Whether EPAS gives management information for the benefit of the organization
- Whether management uses and follows through on the information
- Whether appraisers understand what they are seeking to accomplish through the appraisal process.
Whether the time required by appraisers to carry out their part in the process is considered as a legitimate part of their responsibilities
- Whether periodic appraisals closely follow the schedule.
- Whether employee's attitudes towards the system, its operation and its application are favourable
- Whether efforts have been made to seek out and remedy their justifiable criticisms and complaints
- Whether tangible evidence to demonstrate that the EPAS is producing beneficial results are
- Whether PA is being utilized to make decisions.
- The cost of PA
- Problems it gives rise to
- What is going on in the outside world

Description of Current Practices

In this section, it is intended to describe EPA practices being applied by the four state corporations selected for the research. The information gathered covered EPA practices such as :

- (a) Objectives and uses (purposes)
- (b) Policies on appraisal
- (c) Performance Appraisal (PA) criteria
- (d) Appraisal method
- (e) Appraisal interview feedback
- (f) Appraiser training
- (g) Procedure for ensuring accurate implementation
- (h) Review and renewal

Objectives and Uses

All cases used PA information to select employees to be promoted. Except for case D the other three used PA information to grant the annual salary increment and to terminate/confirm employment after probationary period. While case B used EPA for paying incentive and punctuality bonus, case C at times used EPA information for taking disciplinary action and counselling employees.

Policies on Appraisal

Although the staff of all the cases comprised of permanent, temporary and casual employees, PA was done by all corporations on permanent employees (including ones on probation) only. In cases A and D, three persons were involved in the appraisal: the immediate superior, sectional/department manager and personnel and administration manager. Appraisal by superiors, who were supervisory officer and divisional head, was the source used by case B to collect PA data and the case C used appraisal by superior who was the immediate superior of the employee being appraised.

In appraising EP an arbitrary dates approach where appraisals were carried out on different dates in different months when increment was due, was used in cases A and D and the remaining two used a fixed day approach where every employee was appraised on or near a fixed calendar date at the same time. While cases A and D did annual appraisals case B conducted monthly and case C semi-annual appraisal.

Case A used two separate appraisal forms for categories of executive officers, clerical and allied personnel, and operational personnel (e.g. peon, labourer etc.) case B utilized separate appraisal forms (four forms) for the categories: managerial, supervisory, clerical and allied, and manual and manipulative. In this corporation, an individual form was not used to appraise an employee's performance. However, a single form was utilized to evaluate a group of employees coming under the span of control of a given supervisory officer. Cases C and D used one appraisal form for all categories of employees.

PA Criteria

In case A, when examining the form for executive officers, clerical and allied personnel, criteria established to assess various aspects of employees' work include: job knowledge (practical and theoretical), knowledge of procedures and systems, initiative and originality, fact and decision making ability, job interest, labour control, job ingenuity, loyalty and faithfulness, discipline, impartiality, integrity, general conduct, cost consciousness, quality of office work, and attendance. The form described the meaning of each criterion used. The appraisal form for operational staff was used to consider criteria such as job knowledge, initiative, job interest, job proficiency, intelligence in work, completion of work, discipline, integrity, general conduct, punctuality and proficiency in sinhala. When examining the appraisal forms used by case B, criteria used in assessing managerial employees included departmental performance, industrial relations, creative ability, adaptability, planning and organization, dependability, co-operation, and daily attendance. The criteria used for supervisory grades were sectional performance, control of labour, control of material, planning and organizing, adaptability, co-operation, daily attendance. For clerical and allied grades criteria used included quality of work, quantity of work, application of work, job knowledge, adaptability, innovative ability, dependability and daily attendance. Criteria for manual and manipulative grades included : quality of work, work output application to work, job knowledge, flexibility, dependability, cooperation and daily attendance.

Among the criteria, dependability and daily attendance were taken into consideration to appraise employees falling into each category. In case C the following criteria were used to assess employee's job performance: absentee record, quality of work, quantity of work, adaptability, job knowledge, dependability, co-operation, initiative, general conduct and supervisory ability (this criterion was treated for evaluating supervising officers only). Case D used two criteria i.e., assessment of official work and conduct only.

Appraisal Method

The general method used to evaluate employee performance by all cases was Graphic Rating Scale. Graphical mixed method comprising marks and grades was being used by case C and D. The forms used for appraisal by the sampled cases are not given in this article for reasons of space as well as for reasons of anonymity.

Other Practices

In all cases there were no appraisal interview feedback, training of appraisers, proper procedure for ensuring accurate implementation and review and renewal of appraisal systems. There was no formal discussion of the result with the subordinate in an appraisal interview in the case C. However, reporting officers discussed informally the results with the employee only when the rating of the employee was unsatisfactory resulting in a decision to stop

deter/suspend the increment. The review form was perfected in duplicate, one to be kept with the head of the department, the other to be filled in the employee's personal file. As to the practices for ensuring accurate implementation, in all cases EPAS was designed and initiated by the Personnel Administration division. Operating managers actually appraised performance of employees and made formal reports. The appraisal report form was completed in duplicate and it was reviewed by two higher management officials before it becomes official. Appraisal reports remain confidential.

Analysis of Current Practices

The purpose of this section is to examine critically the current PA practices being applied by all cases and present major defects under EPA practices investigated.

Objectives and Uses

Though developmental aspects of PA are as significant as the administrative aspects they have been ignored in EPA in Case A. Furthermore, EPA of case A did not serve all administrative purposes, i.e. taking disciplinary actions and validating selection tools. In case B, almost all development aspects of PA have been ignored and administrative aspects of PA have only been considered partly. In case C purposes of PA have been applied partially. EPA in case D serves two administrative purposes only and it did not serve development purposes. It may be concluded that EPA was not playing a major role in Human Resource Management (HRM) and did not help identify deficiencies, reinforce strengths and, finally motivate performance and aid in the development of employees in all four cases studied.

It is also evident that in all cases, no separate appraisals for administrative and development purposes were conducted. As appraisal for administrative purposes differ from appraisal for development purposes different appraisal methods should be used for each purpose, and the appraisal should be conducted separately (Stone and Meltz, 1983, p. 227).

Policies

As cases A and D followed a policy of carrying out the appraisal in different months there was no specific time period selected for PA. Evaluators had to appraise employees throughout the year as the dates on which employees were recruited and consequently dates of increments differed. Therefore, there would be no comparative evaluation of employees which can actually be treated as a policy planning defect. Another weakness is that the appraisal would be unfair due to organizational and environmental implications such as changes of evaluators within the appraisal period and changes in load of duties of the evaluator etc.

In all cases other than B, there were no separate appraisal forms to appraise managerial employees and non-managerial employees. Cases A and D used one common form to appraise job performance for both managerial employees and clerical and allied employees. As a matter of fact the criteria on which managerial employees and non-managerial employees are appraised must differ owing to the reason that the job factors of these different types of employees vary materially. Case C used one form for all categories of employees. This is also an important weakness in the EPA.

Criteria

The two appraisal forms used by case A show that the quantity of work, a very important objective criterion to assess job performance, was not being used for appraisal. Other personal objective criteria such as number of accidents, number of disciplinary actions and number of complaints were not being used in the assessment. Further in assessing operational employees quality of output, an important subjective criterion, was not being used. In addition to this defect in assessing operational employees performance standards indicating rating scales have not been included to assess how well employees were performing their jobs. Once the appropriate job criteria are chosen, levels or standards marking the degree of desirability or acceptability of employee performance must be established for each job criterion (Schuler and Youngblood, 1986, p. 236). In case B criteria were not adequate. More criteria could have been used in the appraisal of various categories of employees. Definitions of each criterion had not been given in the forms and this can be treated as a defect that impedes the evaluator's understanding of what each criterion means. In case C, the criterion "supervisory ability" which was used to appraise supervising officers did not include all important skills and knowledge such as technical, conceptual and human abilities required for a manager in a business organization. In case D appraisal criteria and standards were not at all adequate and appropriate.

Having examined the criteria being used in all cases, it is possible to note that current EPA focused on person's traits rather than work performance. Trait evaluations provided little tangible to discuss, little on which participants could agree as fact and, therefore, little mutual understanding of what would be required to obtain improvement (Tripathi, 1991, p. 184). Emphasis must be given to measuring the results of the employee's job performance.

To develop PA criteria a process called Job Analysis is very important. Through job analysis, information about tasks, duties and responsibilities of the respective jobs is produced and it can be applied to develop a number of performance criteria to be used in appraising job performance. According to Werther and Davis (1985, p. 128) the third application of job analysis information is the development of job performance standards/criteria. In all cases investigated there was no an effort to do a job analysis not only to develop PA criteria but also to develop job descriptions and job specifications which would be very helpful for managers to successfully perform many personnel management activities such as recruitment, selection and training.

Method

In case of all corporations, the following defects were found regarding the content of appraisal report and evaluation procedure. (i) There was no space to insert comments by appraisers. Comments are important to give evidence for the rating scales awarded. (ii) No space was made available for giving notes on present deficiencies of the appraisee and action to be taken to fulfill potential shown or to correct deficiencies. This is very important for development aspects of PA. (iii) No comments of appraisee on contents of report. This is essential so that it is established that the appraisee accepts the appraisal or does not accept the appraisal given to him/her by giving reasons. (iv) There was no weighting done according to the significance of each criterion. Actually all criteria are not equally significant for the job performance and some criteria such as quantity of work, quality of work and attendance are more significant than criteria such as general conduct, integrity and loyalty etc. This necessity has been ignored with the result that all criteria were considered of equal importance to perform the job effectively. In EPA of case B, identification data such as job title, years in job, years in concern etc. were not available in the forms and the clarity and elegance of forms were poor as well. (v) There was no way (neither judgmental nor mathematical) to produce an overall score reflecting the level of performance on the job as a whole in cases A and D and with respect to other B and C there was no way of computing mathematically the weighted mean of the ratings of performance on each of the job's activities or functions. More advanced methods such as MBO or BARS could have been applied for at least some specific jobs.

Rating errors can arise in two different ways viz. intentionally, and unintentionally. Attempts to control unconscious, unintentional errors most often focus on rater training (Bernardin and Russell, 1993, p. 390). Athey and McIntyre have found that training to improve raters' observational and categorization skills (called "frame of reference training") have increased accuracy and consistency (As in Bernarding and Russell, 1993, p. 390). All cases under studying had not only done rater training but also not followed other strategies such as reducing the number of performance judgments an appraiser is required to make and reducing the appraiser's motivation to assign inaccurate ratings by rewarding him/her for the extent to which he/she (1) carefully defines "performance" for subordinates and (2) conform to the regulations of the rating system regarding documentation for extreme ratings.

Feedback

In all cases, there has been no discussion of reports made with the employees appraised. Though communicating the results of the appraisal to the appraisee through appraisal interview should be a significant part, of any EPA, this has been ignored completely. Heneman III and Schwab (1982, p. 66) note that it is generally assumed that the feedback the employee receives through the appraisal process can be helpful in more effectively directing work energies toward the goals of the organization. Feedback is obviously essential if the

appraisal program is to have any positive impact in a developmental context (Heneman III and Schwab, 1982, p. 68) and also it is significant when appraisal is used for personnel administrative decisions as employees have a right to know how the organization views their job performance.

In case C, even if the provision had been made to discuss the review with the employee in the review form it was hardly performed by the reporting officers. When one actually perfected form was examined it was seen that the reporting officer had not discussed with the employee about the appraisal made by him. This situation found to be a general validity as evident by several other instances examined by the author.

Training

In all cases researched, appraisers were not given a training to enable them to acquire the needed knowledge, skills and attitudes leading to effective appraisal of employees' performance. Appraiser training is very important to eliminate or alleviate problems such as halo effect, central tendency, over emphasis on recent behaviours, personal prejudices and varying standards of appraisal etc. At the discussions with administrative officers it was possible to ascertain that there had been many problems with supervisors among which personal biases, central tendency and varying standard of appraisal were quite prominent resulting for the fact that appraisers, who were responsible for appraising their subordinates were not objective enough and effective in appraising performance.

Procedure for Ensuring Accurate Implementation

Even if all corporations had established some procedures and practices to ensure that the appraisals were done accurately EPA in all cases had suffered from the lack of the following : (i) Provision of an opportunity to the appraisee for appealing against the appraisal made by his/her superior. This practice contributes to bring about a sound labour relations and improving employee morale. (ii) Provision to recognize and reward appraisers for accurate appraisal and developing their subordinates (iii) Provision to make the chief executive directly responsible for any failure in EPA. (iv) Provision to conduct research to discover methods of improving EPA as a responsibility of the Personnel Division.

Review and Renewal

Appraisal systems had not been maintained by monitoring its operation through periodic reviews in all cases. As with any management program, the performance evaluation program has to be reviewed continuously to assess how effectively it is operating, how efficiently it is being administered, how it is being accepted by those who are covered by it, how much it is costing, what problems it is giving rise to, and what is going on in the outside world that might suggest new approaches to the accomplishment of its purposes or even suggest new purposes (Lopez, 1968, p. 143). This internal and external search for information had been ignored totally and is a major defect in EPA in all cases. The lack of close review and follow up of what is being done leaves a considerably unfavourable gap in the effectiveness of EPA.

In order to present a total picture of the situation prevailing in selected corporations, they were graded as to the systematic use of the various aspects of EPA practices examined so far. A five point scale was utilized for this purpose and the results are indicated in the following table.

Table — Systematic Use of EPA Practices

Aspects	Rating			
	Case A	Case B	Case C	Case D
1. Purposes				
(a) Adequacy of administrative uses	03	03	03	02
(b) Adequacy of development uses	01	01	03	01
2. Policies				
(a) Formalisation of appraisal	03	03	04	02
(b) Soundness of the one who does PA	04	03	02	04
(c) Soundness of frequency and timing	02	04	03	02
(d) Use of separate appraisal forms	02	03	01	01
3. PA Criteria				
(a) Adequacy of criteria	03	02	02	01
(b) Objectivity of criteria	02	03	03	01
(c) Clear definition of criteria	03	01	03	01
4. Method				
(a) Appropriateness of the technique	02	03	03	01
(b) Adequacy of the content of appraisal form and procedure	02	02	02	02
(c) Extent of control of appraisal errors	01	01	02	01
5. Feedback				
(a) Use of interview	01	—	02	—
(b) Effectiveness of preparation for and conducting of interviews	—	—	01	—
6. Training				
(a) Extent of training raters	01	—	01	—
(b) Effectiveness of training	—	—	—	—
7. Procedure for ensuring				
(a) Use of ensuring practices	03	03	03	02
(b) Adequacy of practices to ensure accurate implementation	01	01	01	01
8. Review and Renewal				
(a) Use of system review	—	—	—	—
(b) Continuity of review	—	—	—	—
Average overall rating	1.7	1.65	02	1.1
Key : 1 : Very low; 2 : low; 3 : moderate; 4 : high; 5 : very high				

The rating of every aspect of the EPA practices applied by the four corporations is based on personal estimations made by the researcher according to the information obtained during the survey. This quantification is rather simple because of the qualitative nature of the subject matter and the exploratory nature of this research. As can be seen, systematic use of EPA practices in case C is low and that of all other three cases is very low.

However, it can be mentioned that some behavioural characteristics of Lankan employees based on a cultural milieu which is different from that in the west have an unfavourable impact on performing the ideal EPAS in Sri Lankan organizations. The culture-dominant characteristics are as follows: (1) Sri Lankan managers have a tendency not to give negative or adverse ratings to their subordinates. This may be the main consequence of the Lankan Managers strong need to be liked universally. Because of sympathy towards subordinates managers may not like to give bad appraisals, even when there is a clear case for negative appraisal. This tendency leads to reduce the ability to carry out the ideal EPAS. (2) Lankan managers find it very difficult to discuss the appraisals made by them with the appraisees, in an interview, resulting in either eliminating the holding of the interview or reducing the effectiveness of the interview. Perhaps the main cause for this characteristic is the Lankan Manager's reluctance to let his/her subordinates know about adverse appraisals because he/she fears that revealing will endanger his/her universal popularity, reduce subordinates' support and/or make subordinates hurt him/her. (3) Lankan employees find it remarkably difficult to accept uncomplimentary ratings. This creates a situation where the appraisee feels that the appraiser is arbitrary in his/her rating and his/her decision must be accepted because he/she is the boss. This leaves the appraiser frustrated as the appraisee is unable to see how objective his/her rating is. This characteristic prevents the conduction of an appraisal interview which is a must in the ideal EPAS. (4) Self appraisal and the competency to ascertain one's weaknesses are greatly limited among Sri Lankan employees.

The above culture-dominant characteristics require the need for an EPAS to suit the peculiarities of Sri Lankan employee behaviour. However, the researcher believes that a systematic EPAS can be designed as an intervention to change the culture of the organization. (How an EPAS should be designed is not discussed here, as it is beyond the scope of this paper).

Conclusion

In the first part of this paper a description of EPA practices applied by the four selected corporations has been attempted. The investigation covered major aspects of EPA such as objectives and uses, policies, criteria, method, feedback, training, procedure for ensuring accurate implementation, and review and renewal. The second part of the paper has assessed EPA practices and elaborated on the major defects. Summary of assessment indicates that systematic use of EPA practices in cases A, B and D is very low and in the case of C is low. The implication of this finding is that current EPA practices and systems must be revised or new EPA systems are to be introduced for more effective HRM and for the achievement of corporate overall objectives.

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