## ABSTRACT

This study focuses on performance appraisal evaluation of Sri Lanka Administrative Service. Purpose of performance evaluation is to provide a basis for reward allocation, promotion, and transfers, identify high potential employees. But in public service, there are some legal restrictions according to the financial regulation, service constituents in the promotion and salary increment procedures. So there is conflict when implementing appraisal results. Commencing the literature and theoretical review and interviewing experts' research objectives are created. Objective of this research is study current situation of performance appraisal system, identify the ability to apply successfully implementing procedures in private sector managers to the public sector, and propose the new performance measures. According to that, questionnaire was designed and it was send to the selected sample. This sample was selected using stratified sampling method. To get more information 10% from the sample was interviewed. Those data collected from questionnaire and interview are analyzed using simple statistical method.

According to the study findings, employee can't be motivated with the existing method. There is no provision for the proper feedback system (for promotion, salary increments) because there is legal restriction from the financial regulations and service constituents. These officers more like to the informal rewards and they agree to introduce a performance based reward system if they are assessed without bias. There is no opportunity to identify training needs from the appraisal format. Not only that, existing system is not implementing so as to serve the major purposes in performance appraisal. In the evaluation, objective data also should be measured. For further improvements in performance appraisal system, evaluation must be done in the presence of appraiser, moderator and appraise, appraiser and moderator must be accountable for their ratings, raters must be train regularly for performance evaluation, performance evaluation format should be amended so as to get adequate information, Structural adjustment in the pre-established administrative procedures must be done to implement the performance feed back system properly.