

Impact of Performance Evaluation, Compensation and Promotional Practices on Employee Performance: Study in Banking Sector in Nuwara-Eliya District

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In the current scenario, HR practices play an important role in organizations to increase the employee performance. The purpose of this study is to examine the relationship between the employees' performance, compensation, performance evaluation, and promotion practices in the banking sector of Nuwara-Eliya District, Sri Lanka. A survey of 200 banking personnel was conducted through a personally administrated questionnaire to investigate the impact of compensation, performance evaluation, and promotion practices on employees' performance. The relationships are calculated by applying the Pearson's correlation matrix and multiple regression analysis. The results demonstrate that, the employee performance and compensation, performance evaluation, and promotion practices have the positive and significant relationship. The regression results indicate that the performance evaluation and promotion practices are significant but the compensation practices are not significant. This study provides help for top-management of banking sector to design or revise their HR policies and make practices to attain high employee performance.

Keywords: *Employee Performance, Compensation, Performance Evaluation, Promotion Practices*