## **ABSTRACT**

Performance Appraisal has been a very interesting subject which has given a lot of room for discussion by academicians and scholars for a long period of time. Many people believe that appraisals are problematic, but still it is one of the highly important factors in performance management system in an organization. In recent years perception of fairness in performance appraisal system has become an interesting topic in production field globally. Nevertheless, a limited number of researches have been conducted to see the perception of performance appraisal fairness. It is very limited when military forum worldwide. Obviously, it is minimal when consider the Sri Lankan military viewpoint too. Hence this study intend to expand the literature on the subject in order to bridge the gap and also highlight the factors affecting performance appraisal fairness with special reference to the Sri Lanka Army. Participants of this study were middle grade officers of Sri Lanka Army in which performance appraisal practices existed from the inception of the organization. The quantitative approach method was used to obtain proper understanding of officers' perception of fairness on performance appraisal system based on their knowledge and service experience in the Army. Factor analyses were conducted on the responses of questionnaires in support of Likert scale and hypothesis was tested to see the level of perception of fairness. The results reveal that procedural justice, distributive justice, international justice and informational justice have an effect on perception of fairness in performance appraisal system in the Army. Officers' main concern was on transparency of the system and evaluation errors. They were eager to have fair evaluation system based on performance. According to the findings, officers overall perception on performance appraisal fairness was low and they expect contemporary changes in the system.

## Key Words:

performance, performance management, perception of fairness, organizational justice, distributive justice, procedural justice, interactional justice, employee perceptions,