

A Study On The 360 Degree Feedback Appraisals- A Systematic Approach of Performance Management System

V.Prathipa

Assistant Professor, Dept of Business Administration, Kcs. Kasi Nadar College, Chennai.

ABSTRACT

The system 360-degree feedback are typically introduced as part of individual or organisational development activities. However, 360-degree feedback is increasingly used as an integral part of performance appraisal, relating to administrative decisions such as promotions, terminations and pay . There has been vigorous debate among practitioners and academics concerning the role of 360-degree feedback in the HR function. The use of such systems for developmental purposes only is based on the argument that their application for other uses (e.g. linking them to pay or performance appraisal) lessens the impact and outcome from the process. "The concept of 360 degree feedback makes a lot of sense and, if used well, should have a great deal to offer. It seems to suit the move towards the less hierarchical, more flexibly-structured and knowledge based organisations of the future, in today"s changing and volatile world organisations are continually looking for ways to improve performance, and satisfy the demands of all stakeholders. Achieving this almost inevitably involves change, which then becomes the pivotal dynamic for success.

Key words-360-degree feedback - HR function- flexibly-structured- knowledge

1. INTRODUCTION

The name 360° Feedback derives from getting input from 'all around', from as many relevant sources as possible; from peers, from managers and from staff. Very importantly, the technique also seeks input from 'customers' whether internal or external to the organization and, finally, from the appraises themselves. By comparing the various results it is possible to let individuals know where their self perceptions differ from those that others have of them. But this must be done in a positive way, for development, or to open the door for a means to address problems. All-round feedback, presented within a framework, gives individuals the opportunity to focus on their strengths, plan for improvement and practice key behaviors.

360 Degree Appraisal is Multi – Rater Appraisal and feedback system. Almost every Fortune 500 Company is using this in some form or the other. In this system the candidate is assessed periodically (once in a year and some times even half yearly) by a number of assessors including his boss, immediate subordinates, colleagues, internal customers and external customers. The assessment is made on a questionnaire specially designed to measure behaviors considered as critical for performance. The appraisal is done anonymously by others and the assessment is collected by an external agent (consultant)

or specially designated internal agent (for example the HRD department). The assessment is consolidated; feedback profiles are prepared and given to the participant after a workshop or directly by his boss or the HRD department in a performance review discussion session. Giving and receiving feedback have been foundational to all Performance Management Systems. Conventionally the ‘boss’ gave feedback to the ‘subordinate’. Now for sometime the limitations of such a simplistic use of feedback has been realized, paving way to the emergence of 360-degree feedback system at workplace relationships. Performance obviously depends on how the peers, customers and subordinates view the individual and what they expect of you. 360 Degree feedback instruments provide the perspectives from all these angles and thus play a critical role in enhancing the effectiveness of Performance management systems

2. RESEARCH METHODOLOGY

OBJECTIVES

- To understand the employees’ views on 360 Degree feedback.
- To understand the employees’ views on the pre-requisites for an effective 360 degree feedback system.
- To understand the employees’ views on the implementation of 360 Degree feedback system.

SAMPLING TECHNIQUE:

The adopted sampling technique for the purpose of the research study is “ simple random sampling” technique.

RESEARCH DESIGN:

The research design adopted by the researcher is descriptive method.

SAMPLE SIZE:

For the purpose of the study, the size of the sample is 30. In this study, sample have been selected from the field of study..

SOURCE OF DATA

Source of data collection refers to the source through which the data are collected. There are mainly two sources through which data can be collected. One is the primary source which is the first hand information obtained directly from the target population / respondents and the other through secondary source where the data for study is collected through published and unpublished source which is not first hand in nature.

A data is called a primary source when it is an account by an eyewitness or the first recorder of an event, in written or other form, including micro- form and electronic reproduction. It refers to data, which is obtained through original research, statistical compilations or legal requirements. The data for the study are collected directly through primary source i.e. from the employees themselves. The researcher has made use of primary source of data for her research.

TOOL OF DATA COLLECTION

Tool of data collection refers to the means through which data are collected from the respondent. The tool, which is used for the study, is through questionnaire method. The questionnaire contains structured questions, which are uniform for all the respondents. This helps the researcher in better analysis of data.

3. REVIEW OF LITERATURE

SOME COMPANIES THAT USE 360 DEGREE FEEDBACK:

(HRM review April 2024)

Companies like Wipro and Motorola have been employing it for identifying their employees' area of development and have been using it as an effective tool for leadership development. Wipro has adopted competency route to leadership development with focus on people. Motorola has developed a performance – led leadership development model called Totality of Motorola Leadership (TOML). At Motorola it was done by pre-defining competencies and providing customized (individual) developmental planning based on 360 Degree feedback to enhance organizational performance. All three companies mentioned above have made 360 degree feedback an integral part of their employee development programs.

Johnson and Johnson introduced model of leadership called 'Standard of leadership' based on 360 degree feedback in 1996 to ensure business success and market leadership. It was introduced at the top-level. Philips believed that 360 degree feedback should be used only as a development tool and not a substitute for performance management system.

Philips also used the full circle feedback for identifying 'top- potential' category employees. It developed leadership competency model focusing on six competencies including determination for high quality results for better methods, high performance expectation, focus on the market, self and people development and developing commitment. The leadership model has been linked with organizational values and goals.

At NIIT, 360 degree feedback is referred to as Individual Effectiveness Feedback (IEF) which is Web – Enabled. The Person concerned gets the feedback through an auto – generated card based on the inputs from self, peers, team members and supervisors. At NIIT, an individual's effectiveness is measured in five dimensions via, ownership, shared goals, values , contribution to high – performing team and communication.

4. LIMITATIONS OF TRADITIONAL APPRAISAL

(HRM review March 2024)

Performance appraisal has long been regarded as one of the most critical yet troubling area of human resource management. Most of the appraisal systems are designed to evaluate past performance and stress less on future requirements such as employees' career aspirations, potential latent skills identification, and career planning training and development requirements to take up higher assignments.

In many organizations, appraisal systems from other organizations have been copied and implemented blindly without any linkage with organizational requirements and its people's need. Moreover no serious attempts are made in implementation leading to delays and haphazard reports, thereby diluting system effectiveness making it as mere annual ritual. Awareness of the system needs, familiarity, appraiser – appraise meets, review session and counseling are mostly absent proving it to be a sheer drudgery of paper work.

5. ANALYSIS AND INTERPRETATION

Table No: 1

Respondents by Age

“The Age” is the length of the time that one has existed.

Age	No of Respondents	Percentage
20-25	12	40
25-30	16	53
30-35	2	7
Total	30	100

Interpretation:

The above table shows that a vast majority of the respondents (93%) of the respondents belongs to the age group of 20-30 years, and the remaining (7%) of the respondents fall within the age group of 30-35 years. Thus, we understand that the sample is relatively young.

Table No: 2

Respondents by Gender

The above table gives the sex- wise distribution of the respondents.

Gender	No of Respondents	Percentage
Male	23	77
Female	7	23
Total	30	100

Interpretation:

The above table shows that (77%) of the respondents are males, and (23%) of the respondents are belongs to female category.

Table No: 3

Respondents by years of Experience

The work experience contributes to the accumulation of knowledge or skill that results from direct participation in events or activities over a given number of years.

Work experience	No of Respondents	Percentage
1-3	17	57
3-5	11	37
5-7	2	6
7-9	0	0
Total	30	100

Interpretation:

The above table indicates the distribution of respondents based on the years of experience in their respective organizations. The above table shows that (57%) of the respondents are having 1-3 years experience, (37%) of the respondents are having 3-5 years experience, and (6%) of the respondents are having 5-7 years experience.

Table No: 4

Distribution of respondents by their views on the statement, “360 degree feedback system motivates people in giving honest and objective feedback”

360 degree feedback system creates trust among the people regarding the honest and objective feedback. It enables the employees to believe that the 360 degree feedback system introduced by the organization is intended to facilitate their development. This process enhances their interest towards the tool.

Factors	No of Respondents	Percentage
Strongly Agree	9	30
Agree	21	70

Strongly Disagree	0	0
Disagree	0	0
Total	30	100

Interpretation:

The above table shows that (100%) of the respondents have agreed that 360 degree feedback system motivates people in giving honest and objective feedback.

Table No: 5

Distribution of respondents by their views on the statement, “360 degree feedback system helps in overall development of an individual”

The 360 degree feedback process provides an opportunity for the employee and performance manager to discuss development goals and jointly create a plan for achieving those goals. Development plans should contribute to organizational goals and the professional growth of the employee.

Factors	No of Respondents	Percentage
Strongly Agree	13	43
Agree	17	57
Strongly Disagree	0	0
Disagree	0	0
Total	30	100

Interpretation:

It is inferred from the table that a very full majority (100%) of the respondents are confident that 360 degree feedback system ensures development of the individual. This gives evidence that the company has a comprehensive performance management, System that helps to build the career of the employee.

Table No: 6

Distribution of respondents by their views on the statement, “360 degree feedback system should prevail over conventional appraisal system”

In the traditional supervisor- employee appraisal, one person is responsible for reviewing the performance of employees in his/her department, even though he/she may not be in a position to effectively judge an employee if he/she does not spend much time directly dealing with that employee. This method entails high elements of subjectivity. 360 degree Feedback is an extension of this method and incorporates upward, downward and lateral feedback.

Factors	No of Respondents	Percentage
Strongly Agree	8	27
Agree	18	60
Strongly Disagree	4	13
Disagree	0	0
Total	30	100

Interpretation:

From the above table it inferred that (87%) of the respondents are agreed that 360 degree feedback system should prevail over conventional appraisal system. From the above it can be inferred that majority of the respondents of the organization prefer 360 degree feedback system as a performance management tool over conventional appraisal system.

6. SUGGESTIONS

The following are the various suggestions that are recommended by the researcher...

Ensuring skill requirements among participants and managers to handle the process will facilitate employee empowerment. It will also enable in motivating key decision makers and participants.

The process involves a lot of paper work and monitoring of the return of the completed questionnaire by the due date, hence the parameters designed for the performance review should be clear, specific, observable, and quantifiable. The parameters or the questions should be ideally be based on competencies.

Participation in 360 degree feedback may be voluntary to start with, but when confidence is gained, it could be extended to other levels as well, so that the reliability of the feedback is maintained.

The tool will lose its integrity if it is used for downsizing, promotion or termination. Hence the system should be an unbiased one

Constant interaction and active involvement of those in the top management would lead to benefits of 360 degree feedbacks system to cascade down to every individual.

Identify employees who will affect 360 degree feedback system outcomes. Include only the employees who have significant impact on each measurement. Cascading eligibility through the organization allows for a controlled approach to design, implementation and communication.

Use standards parameters or factors for feedback program design to the actions to business results. In turn, this will help each employee affected by the feedback understand how his/her behaviors and actions influence business.

The organizations should consult the employees in deciding the indicators which determine reward either short term / long term.

Deciding on the type of reward system should be customized to the individual needs of the employees.

7. CONCLUSION

The success of 360 degree feedback system would, to a large extent, depend on the readiness of the organizations for this initiative. Further, success would depend on the effectiveness of the steps that have been adopted by the organization. Finally, people in the organization have to play a major role in making the 360 degree feedback process effective. Though an attempt has been made to understand the various aspects of 360 degree feedback system.

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