Integrating 360 degree feedback in to performance appraisal tool and developmental process

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Abstract:*The performance of an organization is managed by monitoring and managing the performance of the individual employees in the organization. 360 degree feedback is considered to be one of the method of performance Appraisal system which reduces the subjectivily of a traditional supervisor appraisal. In a 360 degree appraisal system, the employees performance is evaluated by his supervisors, his peers, his internal/external suppliers and his subordinate managers and leaders within organizations use 360 degree feedback surveys to get a better understanding of their strengths and weaknesses. 360 degree feedback can be considered as one of the attribute of performance management system which is goal oriented and focused on present as well as future performance.*

I. Introduction:

The motive of performance appraisal is to evaluate the performance of an employee and communicating results of the evaluation to employees for the purpose of rewarding or developing the employee performance. According to Michael Armstrong, "performance appraisal is a formal assessment and rating of individuals by their managers during annual review meeting". Performance can be defined as the degree of accomplishment of tasks by an employee in his job. The incorporation of 360 degree feedback as a measurement tool is thus gaining pre-dominance for unbiased evaluation. The focus of 360 degree feedback is to reflect on the skills and contributions that an employee makes.The goal of the feedback is to provide a balanced view to an employee of how others view his or her contribution and performance in areas such as leadership, teamwork, interpersonal communication, management, contribution, work habits, interpersonal interaction, accountability vision and more depending on the employees job. The review allows coworkers to assess the employee's impact on furthering goal accomplishment and positive customer results as observed by team members.

360 degree is not a training course rather it is deterrent to identify the ground reality of each individual's situation in work place. The use of 360 degree performance feedback can be interpreted in two ways. Firstly, it can be used as a development tool acting as yardstick to employees. Secondly, it can be used as a performance appraisal tool to measure employee performance where the sole focus is on behaviors and competencies of the employees.

II. Literature review:

Many authors have added various dimensions to increase the effectiveness of 360 degree feedback. Bracker et al. (2001b) and Bracken and Timmreck (2001) focus on process features that are likely to have major effects on creating behavior change.

360 degree feedback is aimed at improving performance by providing a better awareness of strengths and weakness. The employee receives feedback, in anonymous form, or performance ratings from peers, superiors and subordinates (Kaplan &Pauls 1994).

360 degree feedback improves the quality of performance measures by using multi raters providing a more balanced and comprehensive view. The information is more reliable, valid and credible because the providers interact regularly with the employee at work (Edwards & Even, 1996). David W. Bracken opines the full power of 360 degree is not maximized if it's usability is restricted only to developmental tool. He states that multi rater feedback is going to impact on decision making of an organization. According to Fleenor and Prince, 1997 the appropriateness of 360 degree performance can be judged only, if the raters provide honest, fair and unbiasedfeedback.

According to Kouzes and Pozner, 360 degrees feedback is one of the powerful mechanism in the field of performance appraisal system. 360 degree feedback improves legitimacy, reliability and responsibility in the overall process, feedback which is 360 degrees involves limited inputs from stakeholders. It is important to percolate organizational values and as a consequence of which integrity promptness of response is well administer. According to Pai, management commitment-at all levels—is vital to the success of the feedback process. This commitment must show up in the organization's totalpreparedness in operationalizing feedback— whatever it means in the organization's own context! 'Delivering feedback is an art that requires the manager to put on a host of hats and play a range of roles: of a counselor, a parent, a psychiatrist, a friend and sometimes, but only sometimes, a boss' Acquiring feedback skills, both in giving and receiving feedback, requires years of

experience, genuine interest in the managee'swell-being, an innate sense of fair play, maturity that enables managers to process managee reactions online and shift roles as appropriate.

According to Turnow, 360 degrees appraisal system makes two key assumptions:

(1)Awareness of discrepancies between how one see oneself and how! others see them increases self-awareness, and

(2)Enhanced self-awareness is a key-to-high performance as a leader, and thus a foundation for management and leadership development.

London and Beatty[10] suggest its rationale as follows:

- 360 degrees feedback can be a powerful organizational intervention toincrease awareness of the importance of aligning leader behaviour, work unit results and customer expectations, as well as increasing employee participation in leadership development and work unit effectiveness.
- It recognizes the complexity of management and the value of input from various sources. It is axiomatic that managers should not assess behaviours they cannot observe, and that all behaviours of a managee may not be fully visible to her manager.
- 360 degrees feedback calls attention to important performance dimensions which may hitherto have been neglected by the organization.
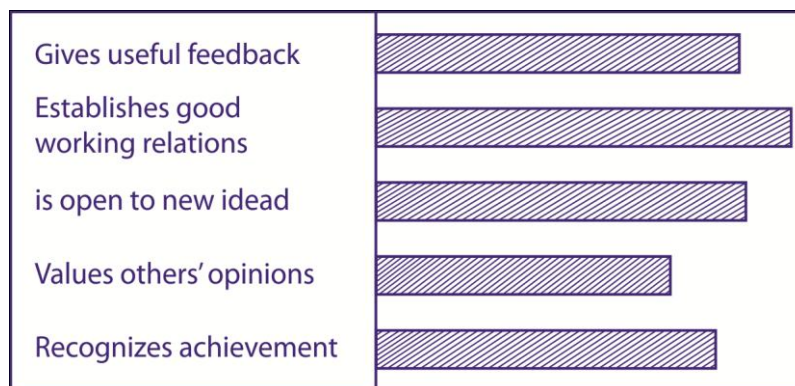
A Simple 360 Degrees Feedback Profile

Slaterdescribes a 360 degrees leadership assessment chart that GE used to grade its manager-leaders. According to him, a good manager believes that her managees-right down the line-have a better grasp than the manager herself does, of the reality of a business; and that a good manager expresses a vision and then lets her managees try to implement it on their own. In GE, this vision includes, 'getting the most possible out of employees, not holding back, encouraging them to take risks'.

360 degree followed by General Electric

Leadership in GE is about 'translating the need for speed, for reality, into the language and practices that change people's behaviour, that encourage them to renew themselves, to walk through that door everyday as if it were Monday morning on a new job ... it all comes back to people—their ideas, their motivation, their passion to win'.

In GE, leaders are expected not to get in the way of their managees who are actually turning out the work: they must let them know at the outset what is expected of them, 'then stand aside, and allow them to get on with their work'. Leaders can complicate their own life if they keep interfering with their managees. GE believes that if their managers keep things simple, and manage less, not more, they will find that the payoff is high.

GE 360 Degrees Leadership Assesment Chart

Leadership Assessment Chart, which measures leadership skills by polling the people a manager deals with. Managers, peers, subordinates and customers are asked to grade each person's performance on 40 criteria, divided into 10 segments. Scores are assigned between 1, for significant development needed, to 5, for outstanding strength.

Characteristic	Performance Criteria	Mgr.	Peers	Subordinates	Others
Vision	• Has developed and communicated clear, simple, customer-focused vision/direction for the organization.				
	• Forward-thinking, stretches horizons, challenges imaginations.				
	• Inspires and energizes others to commit to Vision. Captures minds. Leads by example.				
	• As appropriate, updates Vision to reflect constant and accelerating change impacting the business.				
Customer Quality Focus	• Listens to customer and Quality assigns the highest priority to customer satisfaction including internal customers.				
	• Inspires and demonstrates a passion for excellence in every aspect of work.				
	• Strives to fulfil commitment to quality in total product/service offering.				
	• Lives Customer Service and creates service mindset throughout the organisation.				

Characteristic	Performance Criteria	Mgr.	Peers	Subordinates	Others
Integrity	• Maintains unequivocal commitment to honesty in every facet of behaviour. • Follows through on commitments; assumes responsibility for own mistakes. • Practices absolute conformance with company policies embodying GE's commitment to ethical conduct. • Actions and behaviour are consistent with words. Absolutely trusted by others.				
Accountability Commit-ment	• Sets and meets aggressive commitments to achieve business objectives. • Demonstrates courage/ self-confidence to standup for beliefs, ideas, coworkers. • Fair and compassionate, yet willing to make difficult decisions. • Demonstrates uncompromising responsibility forpreventing harm to theenvironment.				
Communication Influence	• Communicates in open,candid, clear, completeand consistent manner -invites response/dissent. • Listens effectively and constantly probes for newideas. • Uses facts and ration alarguments to influenceand persuade. Fair and compassionate, yet willing to make difficult decisions. • Breaks down barriers anddevelops influential rela-tionships across teams,functions and layers.				

Characteristic	Performance Criteria	Mgr.	Peers	Subordinates	Others
Shared Owner-ship/Boun-daryless	• Self-confidence to shareinformation across tradi-tional boundaries and beopen to new ideas. • Encourages/promotesshared ownership forteam vision and goals. • Trusts others; encouragesrisk-taking and boun-daryless behaviour. • Champions work-out asa vehicle for everyone tobe heard. Open to ideasfrom anywhere.				
Team Builder /Empowerment	• Selects talented people; provides coaching and feedback to develop team members to the fullest potential. • Delegates whole tasks; empowers team to maxi-mize effectiveness. Is per-sonally a team player. • Recognizes and rewards achievement. Creates positive/enjoyable workenvironment. • Fully utilizes diversity of team members (cultural, race, gender) to achieve business success.				
Knowledge/ Expertise/ Intellect	• Possesses and readily shares functional/techni-cal knowledge and exper-tise. Constant interest inlearning. • Demonstrates broad busi-ness knowledge/perspec-tive with cross-function-al/multicultural aware-ness. • Makes good decisions with limited data. Applies intellect to the fullest.				

Characteristic	Performance Criteria	Mgr.	Peers	Subordinates	Others
Shared Owner-ship/Boun-daryless	• Quickly sorts relevant from irrelevant information, grasps essentials to complex issues and initiates action.				
Initiative/Speed	• Creates real and positive change. Sees change as an opportunity.				
	• Anticipates problems and initiates new and better ways of doing things.				
	• Hates/avoids/eliminates bureaucracy, and strives for brevity, simplicity and clarity.				
	• Understands and uses speed as a competitive advantage.				
Global Mindset	• Demonstrates global awareness/sensitivity and is comfortable building diverse/global teams.				
	• Values and promotes full utilization of global and workforce diversity.				
	• Considers the global consequences of every decision. Proactively seeks global knowledge.				
	• Treats everyone with dignity, trust and respect.				

BEHAVIOURAL ANCHORS

In this documents is a list of behaviours of GE values for each leadership dimension. The behaviours are divided in to 3categories: Highly Effective, Effective, and Not Effective. Employees who demonstrated Highly Effective Behaviours would receive rating of A. Employees who demonstrate Effective behaviours would receive a rating of B. Employees who demonstrated Not Effective Behaviours would receive a rating of C.

1. PASSION

Highly Effective	Effective	Not Effective
• Communicates a clear picture of what change is needed, what it means, and what its benefits are. Champions new initiatives.	• Develops support mechanisms to facilitate transitions to new ideas and changes. Takes steps to diffuse fears regarding change.	• Resists change even when it is in the best interest of the organization.
• Sees connections and patterns that are not obvious to others. Synthesizes information from widely different sources to arrive at and to communicate sound business strategies.	• Distinguishes core issues from less important concerns.	• Fails to keep up-to-date on business trends. Shows little concern for overall profitability.
• Translates broad strategies into specific goals, objectives and responsibilities. Recognizes subtle relationships among data, events, and issues.	• Uses a logical and systematic approach to analyse unfamiliar issues and problems.	• Misses critical relationships among issues. Often fails to see the link between business strategies and individuals' goals.
• Consistently stresses the importance of improving profitability and gets others to make this a priority as well.	• Uses technical/functional knowledge to improve the quality of business decisions.	

2. OWNERSHIP

Highly Effective	Effective	Not Effective
• Holds self accountable for ensuring work group achieves its objectives. Consistently follows through on commitments.	• Demonstrates sustained effort and dedication to get the job done.	• Blames mistakes and failures on external events and other people.
• Analyzes, prioritizes and implements improvement opportunities.	• Takes ownership of one's successes and failures.	• Fails to identify and act upon quality improvements to the business.
• Encourages high standards for how the work gets done.	• Avoids compromising quality standards. Establishes linkages of goals across units.	• Misses deadlines and rarely follows through.
• Goes beyond role requirements to attain, objectives.		• Allows waste and inefficiency to persist.

3. EMPOWERMENT

Highly Effective	Effective	Not Effective
• Delegates assignments which specifically challenge the skills of the individual.	• Provides others with the authority, latitude and resources required to accomplish their goals.	• Shies away from conflict—delays addressing it.
• Reinforces the self-esteem of others, especially under stress and pressure. Inspires others to be the best they can.	• Delegates assignments which specifically challenge the skills of the individual.	• Is risk-averse.
• Encourages and rewards others for innovative ideas and looks at problems in new ways	• Ensures that others are involved and informed about issues that will impact them.	• Does not provide a framework which allows people to perform to higher potential.
• Identifies potential sources of conflict and works to avoid their escalation.		

4. TEAMWORK

Highly Effective	Effective	Not Effective
• Establishes a positive work climate (through personal actions, policies, and consistent signals) that nurtures enthusiasm and commitment to the team's mission.	• Encourages communication and interdependence within and across organizational levels and functions.	• Resists collaboration and fails to contribute efforts.
• Helps team members make optimal use of each other's unique strengths.	• Works constructively with others despite differences in style, interests, perspectives and/or needs.	• Has difficulty in working cooperatively with others.
• Interacts openly and candidly with others.	• Discourages destructive comments about other team members.	• Creates roadblocks to teamwork, including unnecessary competition, narrow job responsibilities, and playing favorites.
• Builds consensus with others on planning, decisions and strategies.		Makes little effort to initiate or sustain relationships.

5. SELF-CONFIDENCE

Highly Effective	Effective	Not Effective
• Effectively assesses options and consequences of actions and makes sound and timely decisions in the face of uncertainty,	• Prioritizes situations based on the need for action vs. analysis and avoids changing priorities without due cause.	• Delays too long in making decisions or makes decisions in the absence of facts.
• Makes tough tradeoffs based on a realistic assessment of opportunities and constraints.	• Quickly refocuses priorities when customers' goals change.	• Gives little attention to time frames, follow through and feedback.
• Consistently follows through to ensure satisfaction.	• Implements strategies to enhance growth and profitability of the organisation.	• Does not understand or apply information regarding trends and situations that affect the business.
• Demonstrates strong commitment and drive to achieve results (e.g. Performance, quality, timelines, profitability, customer satisfaction).	• Keeps up-to-date on current business trends and knows the business.	

6. COMMUNICATION

Highly Effective	Effective	Not Effective
• Proactively seeks others' views; incorporates their input as appropriate and listens attentively without interrupting.	• States views in an articulate and concise manner, both verbally and in writing.	• Neglects informing people of matters that affect them and their work.
• Works to facilitate communication among different groups.	• Keeps others informed by passing on relevant information in a timely manner.	• Gives misleading information.
• Disagrees tactfully with opposing viewpoints using a balanced perspective.	• Treats bad news as data rather than blaming others or 'shooting the messenger'.	• Discourages people from voicing their opinions.
• Behaves consistently in accordance with GE values and communicates them to others.	• Acknowledges the feelings and concerns expressed by others and responds to questions honestly and completely.	
• Actively builds/maintains an informal network of colleagues to exchange ideas and provide support.		

7. DEVELOPMENT

Highly Effective	Effective	Not Effective
• Understands individual needs and provides customized coaching to increase chances of success.	• Gives suggestions and alternatives to assist others overcome obstacles.	• Avoids dealing with performance issues.
• Identifies the unique strengths and development needs for each team member.	• Addresses and resolves problem performance in a timely fashion.	• Gives ad hoc assignments so there is no sense of completion.
• Clarifies the concerns of others and helps them to find ways to resolve issues.		
• Praises and rewards successful development efforts, as well as spe-cific accomplishments.		

8. DIVERSITY

Highly Effective	Effective	Not Effective
• Confronts prejudice and intolerant behavior. • Advocates for repre-sentation of people from diverse backgrounds. • Creates an environment in which people from diverse backgrounds feel comfort-able and can succeed. • Looks for unique con-tributions each individual can make.	• Supports work/life balance decisions of others. • Uses consistent criteria for feedback regardless of diversity issues. • Works cooperatively with others despite differences in background, beliefs and per-sonal characteristics. • Views differences between people as opportunities for learning.	• Makes no effort to make people from diverse backgrounds comfortable in the organization. • Makes insensitive comments or jokes that may be offensive to people from diverse backgrounds.

9. GLOBAL MINDSET

Highly Effective	Effective	Not Effective
• Seizes opportunities in the business, assesses risks vs. potential pay-offs. • Champions initiatives that extend beyond the scope of the job. • Drives quality in all areas of business and consistently raises the standard for quality work. • Identifies and eliminates processes, strategies and tasks that do not add significant value. • Consistently seeks feedback and initiates process improvements which impact quality of products, services and processes.	• Understands the impact of new ideas on the organization. • Actively expresses the need to deliver quality products and/or services. • Uses benchmarking to gather ideas for improving processes. • Looks beyond silos to see how to operate most effectively to meet business goals. • Keeps abreast of current trends and methods to improve prod-ucts/processes.	• Does not look for ways to improve products and services. • Is satisfied with the status quo. • Moves so slowly into new areas that opportunities are lost. • Rigidly applies the same standard solution to issues and problems that require an innovative approach.

10. INTEGRITY

Highly Effective	Effective	Not Effective
• Treats people equally and courteously, regardless of level.	• Acts ethically and honestly in all business practices.	• Makes commitments but does not keep them.
• Confronts others whose behaviour does not support the GE Values.	• Stands up for beliefs, even in the face of adversity. Keeps promises.	• Fails to support and behave according to GE values.
• Confronts and deals with unethical behavior in others.	• Expresses pride in working for GE.	• Knowingly 'oversells' products or services in order to get business and refuses to admit there is a problem.
• Demonstrates principled leadership. Consistently demonstrates strong principles.	• Demonstrates consistency between words and actions.	• Criticizes others without understanding their view point or supporting their self-esteem.
• Values others' time (e.g. attends meetings on time, avoids outside interruptions during meetings, does not constantly cance meetings).		• Shows disregard to others' time.

III. Conclusion

In nutshell, it can be said that 360degreefeedback is beneficial from two perspectives one from employees improvement and other in the context of organizational dimension such as strategic, tactical and operational aspects.

Employee:
1) It is an honest assessment as viewed by a variety of constituents.
2) It provides confidential input for many people of how an employee fares in his job.
3) It helps employees in seeing themselves as other see them.
4) It provides information which neither employee nor his/her supervisor may be aware of.

Organization:
1) Promotes constructive feedback and open communication.
2) Can be a powerful trigger for change.
3) Provides feedback about leadership and management strength.
4) Develops a culture of continuous performance improvement.
5) Builds leadership and managerial capability.
6) Embeds value and expected working competencies.

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