

360 Degree Feedback: A Powerful Tool For Leadership And Appraisal**Shalini Agrawal,**

Faculty,

Birla Institute of Technology, Mesra, Patna, India

Abstract: - 360-degree feedback itself provides a clear picture of an organization that is flexible and adaptable to the needs of its members. 360-degree feedback is an evaluation process where feedback is typically received from supervisors, peers, subordinates, employees, and customers, and after the evaluation is complete, the manager shares the feedback with the employee to provide a clear picture and a hint. 360-degree feedback serves two purposes when growing them through development sessions i.e., evaluation and development. This article provides a review of previous literature on job satisfaction between 1995 and 2013. The goal is to determine the contribution of 360-degree feedback to the organization and its growth. A review of the existing literature shows that 360-degree feedback is a process that employees value because it contributes to their career development, career growth, and high levels of organizational performance.

Keywords: 360 degree feedback, Organization, People, Assessment, Development, Career Growth, Career development

I. INTRODUCTION

With the correct method of performance evaluation, companies can improve productivity of their workforce and also make the whole review experience rewarding and effective. HR leaders usually implement one of the seven modern methods of performance appraisal that are listed below:

- 360-degree feedback
- 720 degree method
- Psychological Appraisals
- Management of objectives
- Assessment centre method
- Behaviorally Anchored Rating Scales (BARS)
- Human resource accounting method

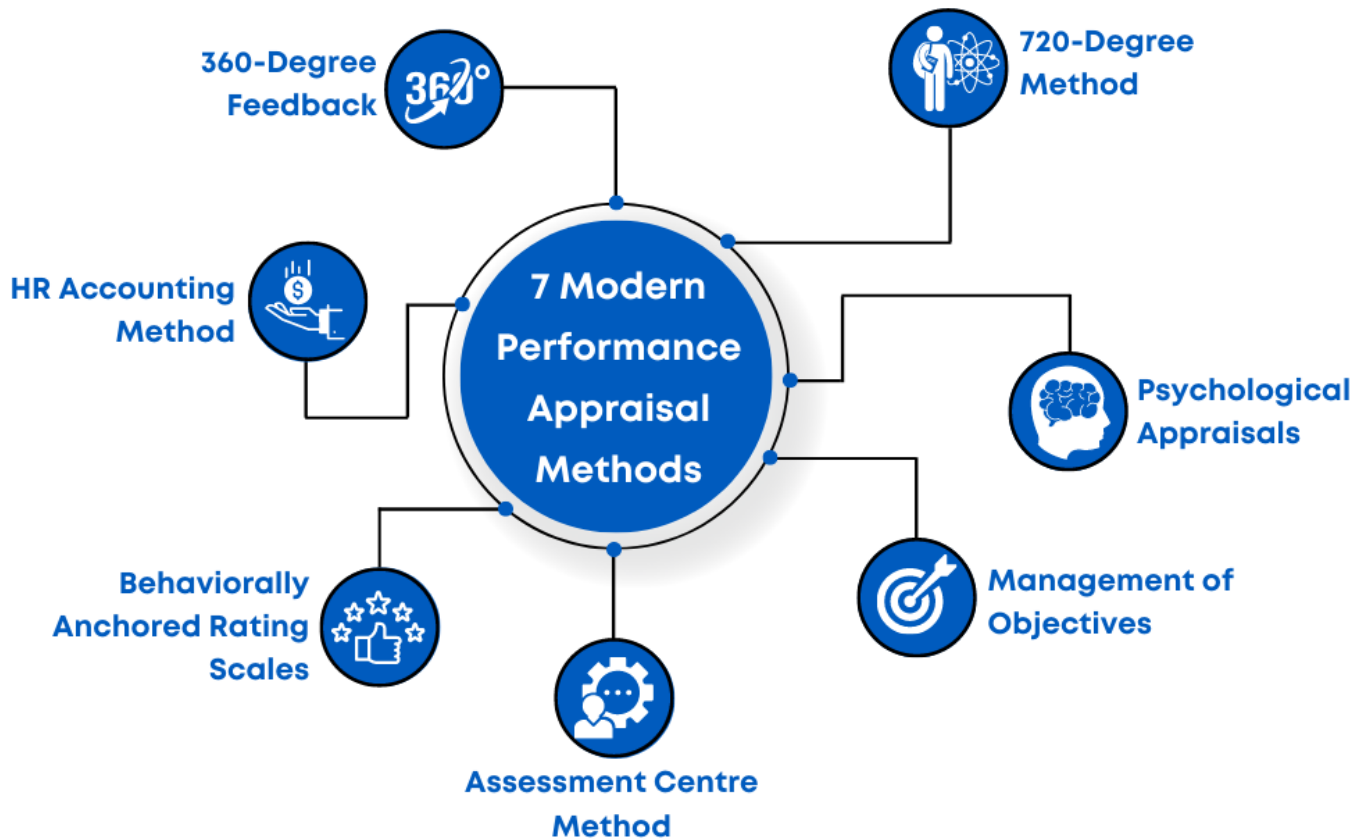


Figure 1.1 Top Modern Performance Appraisal Methods

360 degree feedback is very important for today's organizations in a competitive world. In a highly competitive world, maintaining the stability of an organization primarily depends on its employees because organizations are for the people. 360-degree feedback paves the way for organizational success. It's an evaluation process that receives feedback from employees, supervisors, peers, subordinates, and customers. After the evaluation, the results are usually shared by the manager with the staff. 360-degree feedback is primarily done for two purposes: review and development. Compared to the past, 360-degree feedback has become much more important for several reasons. For example, one company found that employee and customer feedback can help organizations avoid negative impacts. Today's researchers are trying to discover how 360-degree feedback can add more value to organizations. This literature review seeks to understand the research conducted in this area in recent years.

Sources of 360 Degree Appraisal

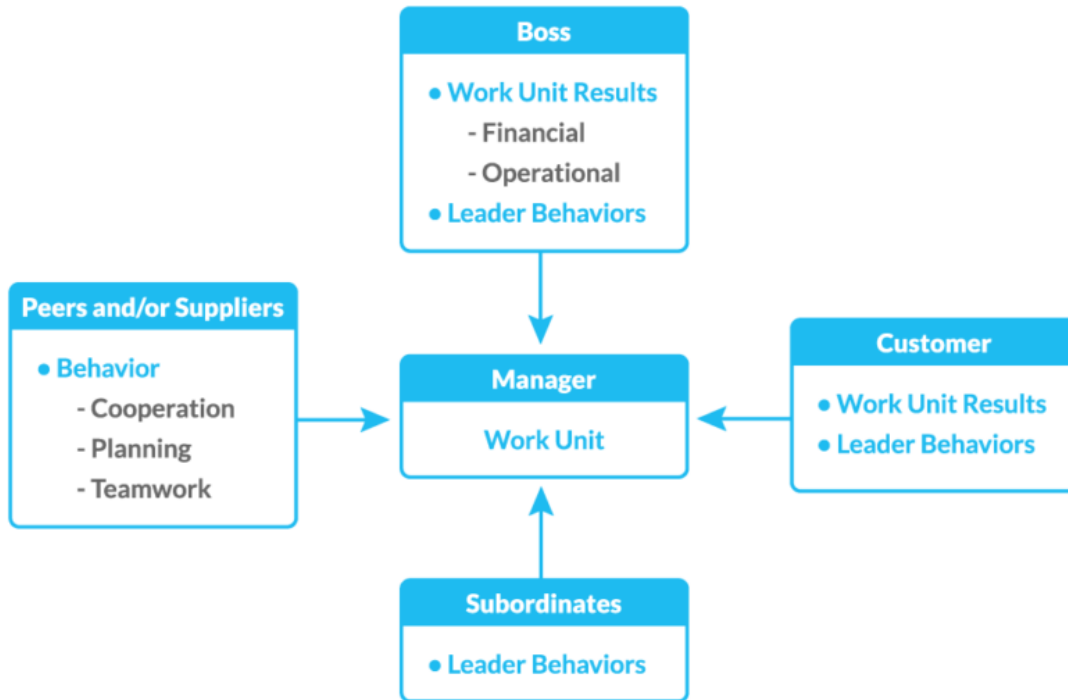


Figure 1.2 360-Degree Appraisal Sources

Process to conduct 360 Degree Appraisal: Following are the steps to create 360 Degree Appraisal:

SNO.	Steps	Explanation
1.	Planning and Preparation:	Identify your aims and objectives Why do you want to run a 360° feedback survey? What are you going to assess? Who are going to be your feedback recipients and who will provide feedback? Who is going to be responsible for which element of the project?
2	Design	How are you going to administer the survey? Write the questions for the survey. Write the instructions and supporting communications. What languages do you need to use? What information do you want to report back to the feedback recipients and how (design your feedback report)?
3	Launch	What timescales are you working towards? Do you need a phased approach? Communicating about the project

		Notifying the feedback recipients
4	Nomination	How many people should be nominated? How should the feedback recipient decide who to nominate? What needs to be communicated to the nominees/raters?
5	Gathering Feedback	Monitor the process Collate the results Generate reports
6	Feedback and development Planning	Decide how to provide feedback - style and approach Deliver the feedback What action do you want to be taken at the end of the feedback session
7	Ongoing Support and Development	Identify ongoing support and development Articulate how to access ongoing support and development Develop managers so they can support their direct reports development
8	Monitoring and Review of the Program	Carry out a project review Implement any necessary changes to improve the process

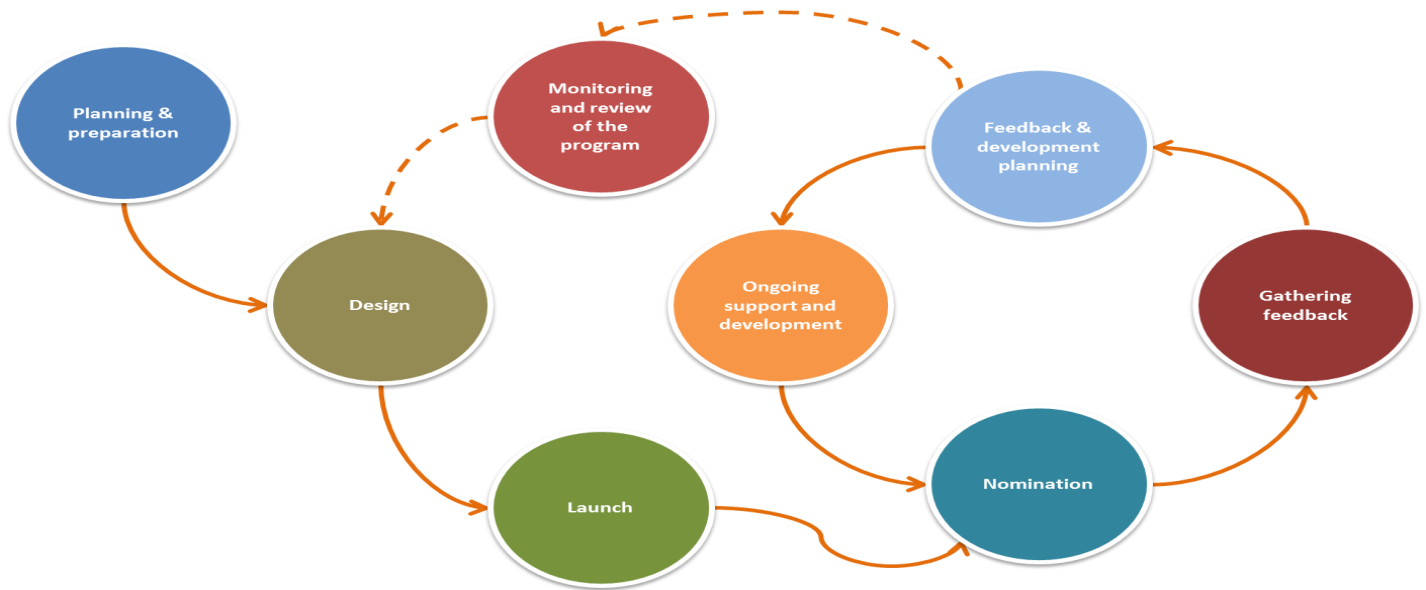


Figure 1.3 360-Degree Appraisal Process

Advantages of 360 Degree Appraisal:

- It provides a broader, potentially more accurate assessment with information from clients, customers, colleagues and other sources, and employees are more likely to take feedback into consideration when it comes from multiple sources.
- It allows anonymity, which can help employees feel more comfortable sharing negative or constructive feedback.
- Broader employee self-awareness can motivate employees to work towards self-improvement and bridge the difference between how employees see themselves and the opinions others have of them.
- It can boost morale and help employees and managers build trust, increase communication and improve overall performance.
- It can give participants the ability to learn how to handle feedback without feeling upset by focusing on the opportunity to grow personally and professionally.
- It identifies training gaps for management and provides an overall understanding of individual, departmental and organizational skill competency.

Disadvantages of 360 Degree Appraisal:

- It can take significant time for sources to participate thoughtfully and for analysis to happen afterward with insight.
- Anonymous feedback may lead some employees to not feel the need to take it seriously or may use the anonymity to be overly negative, critical or focused on weaknesses.
- Feedback is not always positive, and too much negativity can lead to resentment and feelings of fear or anger.
- Coworkers may just say what they think people want to hear, which means feedback is neither honest or accurate.
- If participants feel like the 360-degree feedback was just busy work or manager's don't communicate learnings, then there may not be any tangible growth, trust in leadership may deplete and engagement may go down.
- Organizations sometimes execute the 360-degree appraisal poorly, and it can be confusing when changing from one type of performance feedback to another.

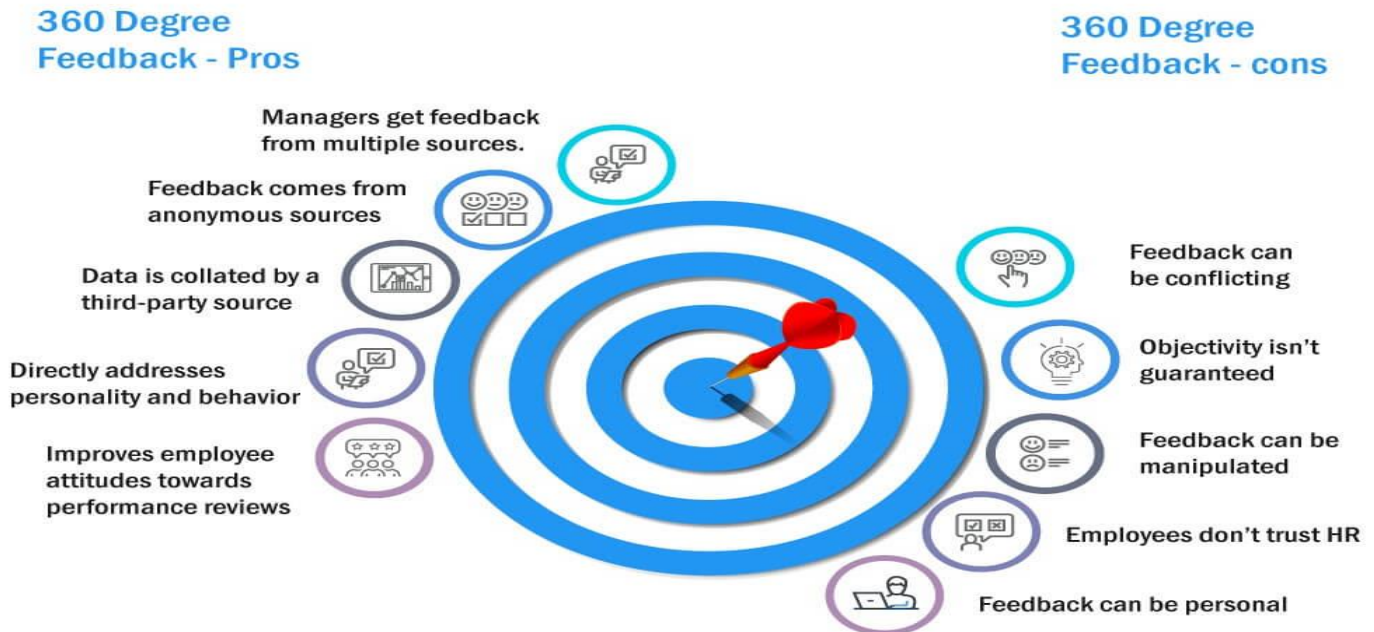


Figure 1.4 Pros and Cons of 360-Degree Appraisal

II.OBJECTIVES OF THE STUDY

The main purposes of the analysis are:

- Explore the types of studies that have been conducted and are available in the 360 degree feedback area.
- It highlights gaps in the current literature and identifies important and interesting research areas within them.
- Identify the importance of evaluating 360-degree feedback within the organization.

III. REVIEW OF LITERATURE

Baker (2009) referred to 360-degree assessment as a simple practical solution for clinicians. Anonymity is one of the most important factors to maintain in a 360 degree review. Many physicians have scored well for accessibility, quality of care, education and accountability, which reassures employers and individuals alike. Here, the study found that 360-degree assessment is an effective tool for physicians and patients to deliver quality care by providing information about rehabilitation, reliability and effective assessment.

Thomas (2004) uses 360 degree feedback to highlight how successful the V&A has been. The main aim of the V&A was to develop people's skills. Here, the entire process was conducted online, which helped in getting feedback from senior managers, made the process safe, secure and user-friendly, and kept the feedback giver anonymous. Thus, it supports personal development and increases the talent pool, while helping people to know their strengths and development needs.

Newbold (2008) states that the 360-degree assessment is classic. 360-degree reviews are a powerful addition to your performance management system. It must be aligned with the organization's strategic goals. The

authors also focus on the success of 360-degree feedback. It is a success only because of a few factors like the purpose being clear, organization readiness, employee preparation, the way it has to be run, and finally effective delivery of the feedback.

Prideaux (2006) emphasized the use of feedback from multiple sources when developing experts as managers. Multi-source feedback (MSF) has been a useful tool in developing an adult march of willingness and acceptance that leads to personal and organizational change. A limitation of the study was that it was performed in specific issues and the results were not generalized. For 360-degree feedback to be successful, top management buy-in, feedback relevance, communication, and accountability are essential.

Stark, Kornstein, and Karani (2008) noted the degree to which 360-degree feedback affects teachers' comfort level and skills. It has been found that 360 feedback works best when used for educational purposes. A limitation of the study was that no differences in attitude could be detected.

Drew (2009) focuses on personal leadership development using 360-degree feedback. The authors analyzed the beneficial effects of 360-degree feedback for various universities as well as the structures of the leadership knowledge base. Here, "people involvement" has been thoroughly tested with well-defined feedback. 360-degree feedback helps people to see themselves and it adds value for people working for their own development, and achieving organizational goals.

Morse (2007) discussed gender differences in 360-degree job evaluations of managers. The study found that the 360 appraisal system did not discriminate against female managers compared to their male counterparts. Here superior, subordinate, equal positions are taken and there is no difference. He says that the 360-degree feedback process is one of the feedback processes that provides the most reliable and accurate data collected. A limitation of this study is that it was conducted on a single company and cannot be generalized. The study also improved organizational performance by providing insights into the development of leadership systems in organizations to better understand changes in different positions from a male and female perspective.

IV. RESEARCH METHODOLOGY

Research Type: Descriptive

Sampling Technique- Convenience Sampling technique has been used for collection of data.

Sampling Unit- Data is collected from the Students of various Streams such as Management, Engineering, Commerce, Medical, Mass Communication, Arts, Law, Computer Science and Other which we have kept confidential on their request.

Tools for Data Collection- In this research Primary data has been collected from students of professional Institutes using a Self Designed Questionnaire and analyzed through appropriate statistics tools with the help of SPSS. Secondary data was used from Journals, Articles and Websites.

Tools for Data Analysis- t-test and One- way ANOVA test have been applied as a tool for analysis of data. Normality and Reliability tested for this study.

Hypotheses

H01: There is no significant difference in 360 degree performance appraisal with respect to gender of students.

H02: There is no significant difference in 360 degree performance appraisal with respect to age of students.

H03: There is no significant difference in 360 degree performance appraisal with respect to area of students.

H04: There is no significant difference in 360 degree performance appraisal with respect to qualification of students.

H05: There is no significant difference in 360 degree performance appraisal with respect to stream of students.

V. SELECTION, DATA COLLECTION METHOD AND ANALYSIS

5.1 Organization Selection

Because this article explores the optimal frequency to do 360-degree feedback, we perform a cost-benefit analysis to determine if and when the benefit outweighs the cost of seeing the optimal frequency. To analyze this, interviews with company officials participating in 360-degree feedback were required.

5.2 Data collection methods

Answering research questions about what is best.

The frequency of 360-degree feedback is necessary to understand the costs and benefits. Due to time constraints, only the HR department interviewed. With open-ended interview questions, companies interviewing participants involved in this type of feedback can retain the information they need, making it a good way to collect qualitative data.

5.3 Interview Questions

1. What is your experience with 360 degrees performance feedback?
2. How do we collect the data we need to provide feedback?
3. How common is 360-degree performance feedback done in your organization? → → How often do I have to work? Opinion and why?
4. Who are the relevant stakeholders? Feedback process? → What are the advantages of using more interested party?
5. What do you think are the advantages of 360 degrees performance feedback?
6. How much do you think 360 degree balancing will cost? → How can I avoid these disadvantages?
7. What can be improved for 360 degree colleges feedback to make it more effective?
8. How much time are you spending in 360 degrees performance feedback?

5.4 Data Analysis

With the consent of the interviewee, the entire interview was recorded so that the content of the interview could be transcribed later. After the interview content was transcribed, the content was coded so that the content could be clearly understood. During coding, the interview results were divided into several categories that provide a clear overview.

VI. STAKEHOLDERS IN 360-DEGREE ASSESSMENT

360 degree respondents for an employee can be his/her peers, managers (i.e. superior), subordinates, team members, customers, suppliers/ vendors - anyone who comes into contact with the employee and can provide valuable insights and information or feedback regarding “on-the-job” performance of the employee. 360 degree appraisal has four integral components:

1. Self appraisal
2. Superior’s appraisal
3. Subordinate’s appraisal
4. Peer appraisal

Self-assessment allows employees to assess their strengths, weaknesses and their work. Supervisor appraisal is a traditional part of 360-degree appraisal, where supervisors evaluate employees' responsibilities and actual performance. The evaluation of subordinates assesses the employee's ability to communicate and motivate the superior's ability to delegate tasks and leadership qualities. It can be evaluated with the following parameters: Adequate feedback from peers, also known as internal customers, can help improve employee performance, teamwork, cooperation and sensitivity to others. Self-assessment is an integral part of a 360-degree assessment interview. That's why 360-degree appraisal interviews have the highest employee engagement and the biggest impact on behavior and performance. It provides a "360-degree review" of employee performance and is considered one of the most reliable performance appraisal methods. 360-degree reviews are also a powerful development tool because, when done at regular intervals (for example, annually), they help monitor changes in how others view employees. 360-degree reviews are generally considered more appropriate for managers as they help assess their leadership and management style.

VII. RECOMMENDATIONS

The frequency at which 360-degree performance feedback should be conducted varies from organization to organization, and the optimal frequency is not clear. For organizations, it is important not only to make this an ongoing process in their day-to-day work, but also to provide adequate feedback. The following sections provide some suggestions for organizations to make 360-degree performance feedback more effective for their business. Organizations often implement and use 360-degree assessment approaches in suboptimal ways. It is very important for HR departments to be optimistic when using an assessment method and take the necessary actions, such as effectively implementing the method and capitalizing on the feedback. In this way, employees can be motivated to provide 360-degree performance feedback. Negative feedback from 360-degree performance feedback was one of the costs associated with this type of feedback. Too many negative emotions can lead to feelings of resentment, fear or anger. Managers need to recognize this possibility and focus on balancing negative feedback, positive feedback and constructive criticism and turning negative comments into

actions and statements. To avoid this problem, HR managers need to be clear and realistic about their goals, setting clear baselines and providing 360-degree performance feedback.

VIII. CONCLUSION

The literature review explains that for 360-degree feedback to be successful there must be two main aspects of an organization: the process and the purpose. You will never be successful if the process and purpose of your implementation is not clear to the people in your organization. 360-degree feedback basically has three goals: assessment, education and development. Research shows that the feedback received becomes clearer when 360-degree feedback is implemented with the combined goals of evaluation and development. As the literature suggests, 360-degree evaluation is used primarily for two purposes: evaluation and development. You can explore other applications of the 360 degree assessment. For example, results from 360-degree feedback are sometimes used in development centers. The implementation of this process in vocational college recruitment can also be explored. Since recruitment is one of the most important parts of an organization, wrong hiring leads to lower productivity. In order to obtain the data needed for this study, an interview was conducted with an institution that implemented a 360-degree evaluation system. Employees, managers and HR managers were interviewed for more knowledge and perspective on the topic. Based on the interview results, it can be concluded that the optimal frequency to conduct 360-degree performance feedback is not clear considering the costs and benefits. To benefit both the organization and its employees, you need to create an ongoing process of collecting feedback data throughout the year to get a better overview of your employees. Further studies may include other aspects to get a clearer picture.

IX. FUTURE SCOPE

Future research can also look at how corporate culture and work ethics can affect organizational effectiveness and business performance. It should also be used to assess recent performance and focus on future objectives, opportunities and resources needed.

REFERENCES

- [1] Mason, R., Power, S., Parker-Swift, J. & Baker, E., (2009).360#degree appraisal: a simple pragmatic solution. *Clinical Governance: An International Journal*,14(4),295 – 300.
- [2] Curtis, D., (1996).Employers appreciate 360#degree feedback.*Management Development Review*, 9(5),34 -36.
- [3] Huggett,M., (1998)."360#degree feedback # great expectations?. *Industrial and Commercial Training*, 30(4),128 – 130.
- [4] Hallam,D., (2004).360 aggregate reporting advances human asset management. *Development and Learning in Organizations: An International Journal*, 18(3), 16 – 19.
- [5] Edwards, M. R.,(1996).Improving performance with 360#degree feedback. *Career Development International*,1(3), 5 – 8
- [6] Heisler, W. J., (1996).360#degree feedback: an integrated perspective.*Career Development International*,1(3),20 – 23
- [7] McCauley, C. D. & Russell, S.M., (1996).Developmental 360: how feedback can make managers more effective. *Career Development International*,1(3),15 – 19
- [8] Pollitt, D.,(2004).Alliance Unichem uses 360#degree feedback to improve performance. *Human Resource Management International Digest*,12(1),27- 29

- [9] Parker-Gore, S., (1996). Perception is reality: using 360-degree appraisal against behavioural competences to effect organizational change and improve management performance. *Career Development International*,1(3),24 – 27
- [10] Thomas, C., (2004). V&A looks to the future with 360-degree feedback. *Human Resource Management International Digest*,12(4),10 – 12.
- [11] Coates, D. E., (1996). Multisource feedback: seven recommendations. *Career Development International*,1(3),32 – 36.
- [12] Newbold,C., (2008). 360 degree appraisals are now a classic. *Human Resource Management International Digest*,16(2),38 – 40.
- [13] McCarthy,A.M. & Garavan,T.N (1999). Developing self-awareness in the managerial career development process: the value of 360-degree feedback and the MBTI. *Journal of European Industrial Training*,23(9),437 – 445.
- [14] Testa,M.R., (2002). A model for organization-based 360 degree leadership assessment. *Leadership & Organization Development Journal*,23(5),260 –268.
- [15] Rowe,C., (1995). Introducing 360 degree feedback: the benefits and pitfalls. *Executive Development*,8(7),14 – 20.
- [16] Jansen,P. & Vloeberghs,D., (1999), "Multi-rater feedback methods: personal and organizational implications ". *Journal of Managerial Psychology*,14(6), 455 – 476.
- [17] Alexander,D.M., (2006). How do 360 degree performance reviews affect employee attitudes , effectiveness and performance. *Schmidt Labor Research Center Seminar Research Series*,1-11.
- [18] Morgan,A., Cannan,K. & Cullinane,J., (2005), "360° feedback: a critical enquiry". *Personnel Review*, Vol. 34(6),663 – 680.
- [19] Rensburg, T. N. & Prideaux, G., (2006). Turning professionals into managers using multisource feedback. *Journal of Management Development*,25(6),561 – 571.
- [20] Rachel, S., Deborah, K. & Reena, K. (2008). *Journal of General Internal Medicine*, 23(7),969-972. 793.
- [21] Samaduzzaman, M., (2014). Critical Methodology Analysis : 360 degree feedback : its role in employee development . *International Journal of Business and Management Invention*,2(1),56-58.