*International Journal of Farm Sciences* **2(2)** : 155-160, 2012

# Study of an organization employing 360 degree feedback

**ROMILLA BALI and NEHA SHARMA**

**Department of Social Sciences**
**Dr YS Parmar University of Horticulture and Forestry, Nauni 173230 Solan, HP**
**Email for correspondence: baliromilla@hotmail.com**

## ABSTRACT

Employees are the biggest resource of any organization. Since organizations exist to achieve goals the degree of success that individual employees have in achieving their goals is important in determining organizational effectiveness. The most important asset of any organization is its human resources. In order to assess the performance of human beings a number of different systems are used from time to time. However 360 degree feedback is one of the mantras of recent times which is gaining importance in management. The present study was conducted with the main objective to find importance, utility and need of 360 degree feedback in M/S PA Times, Dharampur, Solan Himachal Pradesh. It was seen that this method had a strong positive impact on both workers and managers and as such helped in motivating the employees and developing the organization as a whole. In case of managers 84 per cent of the respondents said that this 360 degree feedback has brought a tremendous desirable change in them and in case of workers 100 per cent of the respondents fully agreed that this system/feedback has brought a tremendous change in them. In total 92 per cent of the managers agreed that this has helped them in many ways whereas hundred per cent of the workers said that it has brought a change in them and it is of high worth.

**Keywords:** Employees; organization; 360 degree feedback; workers; managers

## INTRODUCTION

Employees are the biggest resource of any organization. Since organizations exist to achieve goals the degree of success that individual employees have in achieving their goals is important in determining organizational effectiveness. In order to assess the success of any organization and its employees many methods have been and are being used for the performance appraisal. The 360 degree feedback is one of them.

Performance appraisal is one of the most important criteria in organizational management. Performance of an individual is assessed after a regular interval so that one's desired behavior is maintained. This helps the organization to satisfy the needs and the aspirations of the individuals by providing them more facilities, improved working conditions and career advancement. Performance appraisal is very important in planning for the employees' development and in assessing their relative worth or merit. It helps the

organization at the time of transfers and layoffs of the employee.

There are a number of different systems for measuring the excellence of an employee's performance. Some of them are Behaviorally Anchored Rating Scale (BARS), Group Order Ranking, Management by Objectives, Human Resource Accounting Method, Forced Choice Description Method etc.

The most recent and rapidly growing Mantra of management is 360 degree feedback also known as multi-rate appraisal or multi-source feedback or 360 degree profiling. It is a performance appraisal review that uses feedback from supervisors, subordinates and co-workers. Here an appraiser gets feedback or is evaluated from a number of people around him or her. It is the expansion of upward feedback idea. This is a developmental feedback relating to behaviour, skills and competencies. This type of review use information from full circle of people with whom the employee interacts (Fig 1). Advantage of full circle review is that it provides a more comprehensive perspective of an employee's performance.

By soliciting information from all the individuals a person interacts within his or her normal activities. Thus a broader and more complete picture of that person's performance can be obtained. This in turn increases the credibility of an employee's performance appraisal. It is less likely to be over-biased either positively or negatively which is another benefit of it. The feedback provided can enhance the employee's self development. It permits an employee to compare his or her own perception with the perceptions that others of his or her skills, styles and performance.

360 degree appraisal is a highly effective process. In it the employee receives feedback from a range of people at different levels and sometimes from

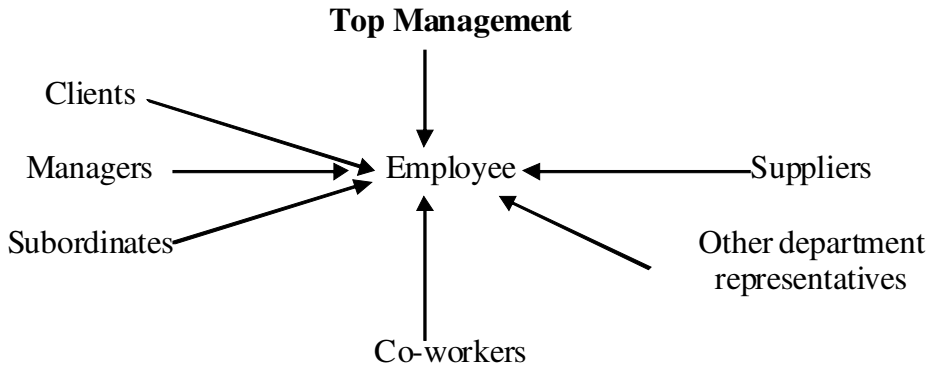



**Fig 1. Full circle of 360 degree feedback**

outsiders also eg customers. Comments given by respondents are kept confidential so that the respondent can feel comfortable by giving honest feedback which is provided by a competency standards or questionnaire as opposed to a vague set of guidelines.

People at work can either make or mar a company. 360 degree feedback serves as a helping tool to solve any problem. 360 degree feedback creates a meaningful linkage between the performance standards and corporate goals and between job elements and performance indicators.

Jackman and Strober (2003) mentioning about 360 degree feedback say that those who learn to adapt feedback can free themselves from old patterns. They can learn to acknowledge negative emotions, constructively reframe fear and criticism, develop realistic goals, and create support systems and reward themselves for achievements along the way. They gave four-step processes, which are as follows: i) Getting the feedback you need, ii) learning to adapt, iii) rewards of adaptation and iv) fear itself.

Peiperl (2001) investigated that 360 degree feedback is the latest craze in companies big and small. The good news is that by understanding four paradoxes inherent to peer appraisal managers can take some of the pain out of the process and get better results. He argued that it is peer appraisal when conducted effectively, can boost the overall impact of 360 degree feedback and is as important as feedback from superiors and subordinates. Peer appraisal can take place without negative side effects if executives understand and manage around four inherent paradoxes viz i) paradox of roles, ii) paradox of group performance, iii) paradox of measurement and iv) paradox of rewards.

Srivastav (2003) described the method of evaluating performance. It is done half yearly. The Key Result Areas (KRAs) are identified at the beginning of each year but for sections like sales and marketing performances are reviewed every quarter in terms of gross margin targets vs actual achievements. These reviews help in assessing the uniformity of performance and taking strategic business decisions. A very democratic system of appraisals is adopted. Every employee rates his or her supervisor as part of a 360 degree cycle along the key parameters. The feedback is shown in a form designed and conducted by the human resource department.

## METHODOLOGY

The present study was endeavoured to explicate the 360 degree appraisal of employees of M/S PA Times whose place of job was the geographical area Dharampur of Solan district, Himachal Pradesh with the following objectives to

study the demographic dimensions of the employees, to study the employees feedback on the basis of dimensions and to assess the impact of changes if any in the development of employees as a result of 360 degree feedback.

The data were collected in the year 2003 from the sample of fifty employees from the two categories of employees viz managers and the workers with the help of interview schedule. The first part of the schedule concentrated on demographic variables like age, sex, marital status, education and work experience in years etc. The second part dealt with 360 degree feedback consisting of a number of statements. A five point Gutman's Scalogarm technique was used to measure feedback. The scale of 360 degree feedback consisted of fifty statements which were based on five dimensions that were coordination, decision making, autonomy, group activity and quality of work having total range of 10-50 each. The response of each respondent was rated and total score of 360 degree feedback of the dimensions was calculated separately to indicate the degree of respondents feedback. The next part of the schedule consisted of the questions regarding importance and utility of this feedback as seen by the respondents.

Each statement was analyzed individually. The analysis was based on percentage method.

## RESULTS AND DISCUSSION

In case of managers 84 per cent of the respondents said that this 360 degree feedback has brought a tremendous desirable change in them whereas only 16 per cent said that it has not brought any change in them (Table 1). This 16 per cent of respondents belonged to managerial category. Whereas in case of workers 100 per cent of the respondents fully agreed that this system/feedback has brought a tremendous change in them.

Table 1. 360 degree as viewed by respondents showing the desirable change in them

| Desirable change | Category of respondents | | Total |
|---|---|---|---|
| | Manager | Worker | |
| Yes | 21(84)* | 25(100) | 46(84) |
| No | 4(16) | 0 (0) | 4(16.00) |
| Total | 25(100) | 25(100) | 50(100) |

*Per cent value

Table 2 shows that 92 per cent of the respondents agreed that this has helped them in many ways whereas only 8 per cent of respondents said the other way out of which 16 per were the managers. Hundred per cent of the workers said that it had brought a change in them and it is of high worth. Reasons given for the help/worth of the 360 degree feedback by the employees are given as under:

**Managers**

- It has helped them in understanding colleagues
- It has helped them in becoming better managers
- It is helpful in profitability and predicting productivity
- It helps in constancies of judgment
- It is helpful for efficiency in working
- It has enhanced in work ability, in knowing colleagues and in improving relationships with them

**Workers**

- It has helped them to improve their performance
- It has proved in their self-motivation and development
- It is helpful in creating the good relations with the boss and colleagues
- It can differentiate between efficient and inefficient employees
- It improves self-awareness and behaviour
- It helps to improve personality and perform better. It improves attitude towards superiors and colleagues and results in more productivity

The above responses show that overall degree appraisal has a strong positive impact on the life of the respondents of the organization. This has led in improving their performance and increasing their motivation.

Table 2. Help rendered by 360 degree feedback/worth of it

| Category of respondents | Yes | No | Total |
|---|---|---|---|
| Managers | 21.00(84)* | 4.00(16) | 25(50) |
| Workers | 25.00(10) | 0 (0) | 25(50) |
| Total | 46.00 (92) | 4.00(8) | 50(100) |

*Per cent value

## CONCLUSION

It was concluded that 360 degree feedback was regularly and systematically conducted by the organization evaluated as found simple objective and straight forward by the employees. Further it had brought about desired and purposeful changes and has helped the employees in improving their performance and overcoming their shortcomings. It indicates that when the atmosphere is encouraging and there is understanding among the employees they work more, there is increase in productivity and the quality of work is improved. This had led in improving their performance and increasing their motivation.

## REFERENCES

Jackman JM and Strober MN 2003. Fear of Feedback. Harward Business Review **81(4):** 101-107.

Peiperl MA 2001. Getting 360 degree feedback right. Harward Business Review **79(1):** 142-147.

Srivastava DK 2003. If you want to polish your skills, come to HCL. Comnet, Hindustan Times Careers.

*Received : 18.10.2011* *Accepted: 7.1.2012*