

360 Degree Feed Back Performance Appraisal System

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#### Introduction of 360 Degree

The 360 Degree feedback process involves collecting perceptions about a person's behavior and the impact of that behavior from the person's boss or bosses, direct reports, colleagues, fellow members in the project team, internal and external customer and supplier

It is full circle, multi sources and multi rater system of obtaining information from peers, subordinates and internal & external customers about employee performance



# Extent of multi source feedback

Peer/Co – workers	Manager
180 degree	90 degree
Direct Reports/ Subordinate 270 degree	Customers 360 degree

#### Why 360 Degree Feed Back

- One of the major considerations for organizations which have gone for 360 degree feedback, has been strategic integration and alignment of performance management with business goals in the increasingly competitive environment
- Feed back is integral part of performance review system, it is step ahead moving from performance review to performance management system
- It is practiced mainly at the top/senior/middle level in progressive companies

### 360 Degree feedback model



# Advantage

It enables one to obtain information form multiple sources and from people who routinely work with and are affected by the employee's behavior

" Mirror, mirror, on the wall Who is the fairest of them all..."

Seeking feedback is inherent to human nature. Learning from it, however, is an acquired skill

# Personal Development of Employees

- Improving perception of the individual about oneself by understanding how other perceive him or her
- Helping an individual manage one's performance better
- □ Facilitating learning process for the employee

## Team Development

 Increase in Interpersonal communication among team members;

Improved customer service a customer feedback is included in the 360 Degree feedback

#### Human Resource Management

Personnel selection and employee coaching

- General Personnel decision –promotions, pay increases, probationary status or termination
- Training & Development –employee training, management development and organizational development
- Planning for development centers, identification of development needs like the potential for leadership development and honing of competencies, career planning and development

# How 360 degree feedback system adds value

- Gives a comprehensive view of an individual's performance
- It capture unique information, which other methods usually cannot
- It serves to complement supervisory feedback a the only source for performance standards
- It promotes a new psychological contract and increases the understanding about one's role expectation
- It focuses on competency framework in various roles

# How 360 degree feedback system adds value

- For top level it can serve a useful source of feedback
- It promotes self directed learning
- It builds in action orientation around the self monitoring of gaps in performance between other expectation and a person perceived performance
- It helps everyone to work for a common standard and institutionalize performance management
- It promotes commitment to good work among people

# How 360 degree feedback system adds value

- It is an important monitoring and regulatory device
- It empowers individuals to obtain a realistic assessment of their strengths and areas of improvement
- It helps in the strategic integration and alignment of performance management, keeping in view the new organization complexities
- It creates mechanism for integrating multiple constituencies and inputs for culture development

It helps in organizational transformation

### Overview of PM & MSFB Fits

Business Environment Organisation planning: Articulation & communication of desired business results, strategy, goals to arrive at the common understanding of the direction of business

Functional planning: Cascading of organization objectives of

Various Functions, department, or teams

\_\_Organizational Vision & Mission

Jointly set by Manager & Employee Covers all area of Performance, targets, Responsibilities, Competencies etc

Individual Performance planning: Translation of the above into Individual roles and clarification expectation from employees

Performance Assessment: Provides inputs on individuals capability, delivery, and potential on the job for the performance period based on expectations set

Performance Related Decision Making: on the basis of feedback, Decision on pay, career development & training are taken. This Impacts the commitments of employees

#### **Reasons for Introduction**

The process of preparing for 360 Degree assessment is a development journey in itself

Reason for introduction:

- 1. Employee development and career planning
- 2. Performance appraisal and succession planning
- 3. Team development
- 4. Organisation development with strategic goal

# Assessing Readiness

Identification of the problem

Analysis of the organizational context for finding a solution to the problem

Allocation of resources for the purpose in terms of time and finances A detailed plan of implementation

□ Follow up

# Other imperatives in Assessing Readiness

- Support from top management
- Trust among people regarding the objective
- Develop Competency Models
- Clarifying role and performance expectation
- Building a psychologically safe environment
- Validity of the tool
- Formal & informal training

#### Steps involved

- Determining organization readiness
- Developing an appropriate survey and process keeping in view the needs
- Motivating key decision makers and participants
- Ensuring skill requirements to Managers to handle process
- □ Administering the survey
- Coaching the participants in one on one meeting
- Providing organization summary data and reconduct the survey in 3-6 months time frame

### Feedback Report Content

- Overview of values
- Analysis of values and survey questions
- Highest/lowest scored survey questions
- Ranking of survey question
- Frequency distribution
- Written comments
- 1. Do's for review of written comments
- 2. The Don't for review of written comments

### Pitfalls of 360 Degree FB

- Process don't go beyond one time Feedback
- Failure in follow up
- If development plans are not there, then it leads to resent participating in the exercise
- Behavior & performance need to be clear, unambiguous, specific, observable & quantifiable
- Most of the time the process is outsourced causing delays & expense
- The process involves lot of paper work and monitoring of the return of the completed questionnaire

### Pitfalls of 360 Degree FB

- □ Tools looses its integrity if it is used for downsizing
- It should not be used as a mean to support someone's promotion or termination
- 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
- Many organization/consultant used the multi rater system advise that it should be used as a development tools for several years before it is used as an appraisal tool

## **Factors for Success**

The success of 360 degree feedback would , to a large extent, depend on the readiness of the organization apart from the following:

Intervention is business driven

- The organization clearly needs the measured behaviors to support a corporate strategy
- The survey instrument and administration process are reliable
- Conditions for learning new skills exists

#### Status of implementation of Multi Source feedback Performance Management

Degree	Examples
90 Degree Assessment by Manager	Most Company with a Performance Mgt system in place use this mode of feedback
180 Degree Assessment by Manager/Peer	C.Dot, ICICI, Coco Cola Tata Communication,
270 Degree Assessment by Manager/Peer and Direct Report	BILT, WOODWARD Governor, WIPRO INFOTECH
360 Degree Assessment Manager/Peer/Direct Report/Customer	SGS Thompson, TELCO, Motorola, ITC. Seagram's, GE, NIIT, Philips, Johansson & Johansson

#### Thank you very much

