

360-Degree Feedback Practices: Pure Blood or Wanna Be? - A Review

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Abstract: Performance appraisal is an important process for individuals as well as for organizations, and yet it is challenging to find the appropriate tools due to many problems. Subjectivity was one of the problems faced by organizations when it comes to appraise its employees. 360-degree feedback often served as the best alternative to minimize the issue and still is not flawless. Specific preparations needed to perform feedback appropriately, are easily overlooked. A review of 360-degree feedback practices in three organizations in Bandung showed that applying proper 360-degree feedback was a long and complex road. The organizations did not apply the entire procedure/steps as prescribed. Cultural variable (high power distance) and the awareness of the role of the organization's culture were deemed important to set up right prior to 360-degree feedback deployment, so the intended goal of the assessment can be achieved.

1 INTRODUCTION

Performance appraisal is a process in which an employee is assessed regarding his/her performance compared to a set of standards. 360-degree feedback started its popularity in 1990 (Hedge et al., 2001) as a tool for leadership development (London and Beatty, 1993). Research regarding 360-degree feedback dated from 1995 to 2014, as reviewed, showed the attractiveness of the topic (Mohapatra, 2015). This method had been used by many well-known organizations (Luthans and Peterson, 2003) and is still continue to used nowadays by various types of organizations (Zand et al., 2017; Garg, 2019). Some of the reasons why organizations chose to use 360-degree feedback were hoping to improve the organization, management, the leadership of its employees, and for the evaluative purpose (Waldman et al., 1998).

Aside from the benefit and good intentions of performance appraisal, yet there are few problems that arise (Beer, 1981, Prowse and Prowse, 2009). One of them is subjectivity (Prowse and Prowse, 2009; Grund and Przemek, 2012). The problem needs to be addressed seriously since it can lead to negative perceptions that can outweigh the positive impact of performance appraisal (Brett and Atwater, 2001). 360-degree feedback that presumed to be the answer

to the problem is not perfect either. There are companies that used 360-degree feedback but did not come up with the intended results (Rogers and Rogers, 2002).

This study's aim is to give a review of the factors that need to be considered in implementing 360-degree feedback wholly.

2 LITERATURE REVIEW

What is 360-degree feedback? 360-degree feedback is 'a systematic collection and feedback on performance data on an individual or group derived from a number of stakeholders in their performance' (Ward, 2003). 360-degree feedback, also known as multi-rater feedback, multi-rater assessment, multisource feedback (Campbell, 2001), where it can be used in an industrial setting (Bracken et al., 2001).

The popularity of 360-degree feedback is indisputable. Many companies used this appraisal for their employees (Antonioni, 1996; Lepsinger and Lucia, 2009). Despite its popularity, there are things to consider in order to conduct the ideal 360-degree feedback that includes data sources and measurement dimensions (London and Beatty, 1993), series of steps (Antonioni, 1996, Edwards and Ewen, 1996), and critical factors (Rogers and Rogers, 2002).

The importance of data sources and what are being measured in 360-degree feedback highlighted by London & Beatty (1993). London & Beatty offers that different evaluators assess a different aspect of data, even though they are assessing one particular individual.

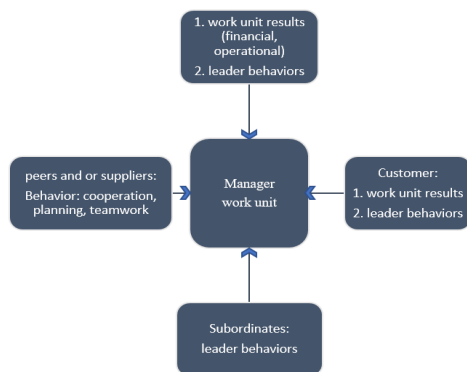


Figure 1. Leadership and Data Sources (Adapted from London & Beatty, 1993, p. 355)

Antonioni (1996) proposed three steps of 360-Degree Appraisal Process: Input, Process, and Output. Each aspect to be considered, as included in Table 1 as follows.

Table 1: 360-Degree Appraisal Process: A Practitioner Model (Adapted From Antonini, 1996 p.25)

Input	Process	Output
purpose of appraisal: developmental vs. evaluating the appraisal form written feedback appraiser anonymity selecting peer appraisers appraiser training training for appraisees training for coaches feedback report	self-appraisal reactions to feedback coaching steps targeting improvement action plans reporting results back to the appraiser specific goals/action just-in-time training mini-assessment/ follow-up recognition for improvement accountability	increase awareness of others expectations improvement in appraisee work behaviors/performance reduction of undiscussable increase in periodic 360-degree performance reviews management learning

Edwards & Ewen (1996) shared some things to do in conducting the 360-degree feedback: 1)

participative design, 2) user assessment, 3) assure fairness, 4) accurate, 5) simple, 6) credible, 7) time-efficient, 8) user training, 9) anonymity, 10) automate, 11) safeguards, 12) managing expectations.

Six critical factors from best-practice companies offered by Rogers & Rogers (2002) which includes: 1) use primarily for developmental of individuals, 2) link and align with organizational strategy, 3) high administrative control over all aspect of 360-degree practices, 4) role model from senior management, 5) highly trained internal coaches and 6) evaluate the results.

All four previous studies mention the importance of tool (measuring specific things (different data sources (London & Beatty, 1993), appraisal form (Antonini, 1996), accurate (Edwards & Ewen, 1996), link and align with organizational strategies (Rogers & Rogers, 2002). The importance of people who assigned to give feedback and what performance dimensions should be assessed were also mentioned (Morgeson et al., 2005).

3 METHOD

This study uses a cross-case analysis method that can identify similarities and differences from various case studies. The stages of the cross-case analysis conducted refer to Khan & VanWynsberghe (2008), beginning with (1) determining the case studies that are relevant to the research objectives, (2) determining the criteria that will be used to evaluate the similarities and differences between cases, (3) evaluating the conditions in each case, and (4) making comparisons of findings between cases.

This research involved three organizations that were purposively selected regarding the practice of 360-degree feedback all reside in the Bandung area. Organizational characteristics of each organization can be seen in Table 2. The next step is to determine the evaluation criteria to be used. In this study, the evaluation criteria were obtained based on the results of literature studies, referring to four previous studies, namely London and Beatty (1993), Antonioni (1996), Edward and Ewen (1996), as well as Rogers and Rogers (2002). After the evaluation criteria are obtained, an evaluation process is implemented to implement 360-degree feedback in each case. The results of the evaluation in each case will then be compared to draw conclusions between the cases.

Table 2: Organizational Characteristics of the Objects

Org. characteristics	Organization 1	Organization 2	Organization 3
Scope	oil & gas drilling waste treatment and water purification services	private educational institution	construction services and network infrastructure management
No. of employee	70	> 100	> 100
Year of est.	2011	2013	2012
The subject of the assessment	Operation and Engineering Division (OED)	Information System Unit	provisioning technicians

4 RESULT AND DISCUSSION

4.1 360-degree Feedback Implementation

Details of the 360-degree feedback implementation process in each organization as follow:

Organization 1 (Saputri et al., 2019): oil & gas drilling waste treatment and water purification services. Founded in 2011, with 70 employees onboard. The company shift to 360-degree feedback in the Operation and Engineering Division (OED). Prior performance appraisal that used was rating scale method to assess its employee based on 17 criteria (knowledge, productivity, work quality, technical skills, work consistency, work enthusiasm, cooperation, attitude, initiative, creativity, work relationship, punctuality, attendance, reliability, communication, training evaluation, safety work behavior implementation) where employees were rated by his/her direct supervisor. There were no clear explanations or behavioral indicators for each aspect, even though they were ranged from D category (poor = 1 point) to A category (very good = 4 points) scale measurement that leads to ample room of subjectivity.

The 360-degree were hope to shade light for a more objective tool where everyone involved had a

clear understanding and bases on why an employee was given a specific score. There were changes in the aspects that were assessed and how they were assessed. The discussion was done with the Manager of Human Resource Department to find out what things that contribute to the success of OED's staff engineers based on job descriptions resulted in 3 areas: personality, knowledge, and workplace criteria. Of the three there are 18 sub-criteria: Interpersonal skills, communication, professionalism, initiative, adaptability & flexibility, reliability, self-development, sains & technology, analytical & critical thinking, computer 101, teamwork, planning & organizing, problem-solving, working with technology, scheduling & coordination, operation & maintenance, quality control, safety behavior & environmental awareness. Each criterion followed by the descriptions of the concepts. Evaluator then assigned a certain point within 1 (upgraded needed) to 5 (extraordinary) point. Evaluators aside form self-assessment by the employee, are the supervisor and 2 of his/her peers. All the respondents agreed the proposed criteria of performance appraisal are far clearer on descriptions and standards. As promising as it was, the new performance criteria were not yet to be deployed any time soon. It took careful consideration regarding the organization's conditions. Different appraisal score affected to different financial compensation received.

Organization 2 (Yudithama et al., 2017): a private educational institution. The study conducted at Information System Unit, particularly managers (Operation Service & Information System Manager, Infrastructure & Content Managers, and Research & System Information Development Manager). The 360-degree feedback was proposed to reduce the subjectivity level of the prior method. In the previous method, the employee evaluated by his/her supervisor and supervisor's supervisor, then the average score was sent to the Human Resources Department as his/her final appraisal score. Integrity, innovation, contribution, and attitude were the aspect being assessed without any descriptions or behavioral indicators of each. Everyone who evaluates an employee on those aspects could have a different definition of the aspects. They simply assigned scores 1 to 5 without objective or the same guidance to do so. No wonder the score did not reflect the employee's actual performance and raise the issue of the subjectivity.

The aspects of 360-degree feedback that were proposed as follows leadership, team player, self-management, communication, strategic thinking, organizational skills, decision making, expertise, and

adaptability. The aspects were derived from the job descriptions of Managers. They then assessed by his/her supervisor, two peers, and three subordinates aside from his/her self. Evaluators and employees agreed that the proposed criteria were clearer than the existing criteria, yet the possibility of deployment was still in question, for it took top-down instructions to do so. Employee grouped into categories that reflect the score he/she was assigned by all evaluators. This result used as the basis of the financial compensation of that employee.

Organization 3 (Safira et al., 2019): main business on construction services and network infrastructure management. The assessment was for the provisioning technicians. The technicians were assessed using 360-degree feedback on the following competencies: character (integrity, enthusiasm, totality), competency (skill, problem-solving, improvement), collaboration (teamwork, sharing knowledge), and contribution (target achievement). Evaluators are the technician's supervisor, supervisor's supervisor, self, peer, and subordinate, who assigned scores 1 to 5 on each aspect. There are no behavioral indicators on the competencies. The technician then categorized using forced distribution so that there are those who fall into very good, good, fair, poor, very poor categories. Unclear bases and subjectivity were the issues that felt by technicians since there is no information regarding why they were assigned a specific score on a certain aspect. The proposed aspect referred to Spencer & Spencer's competencies (Spencer and Spencer, 1993) and job descriptions of provisioning technician: achievement orientation, organizational commitment, expertise, conceptual thinking, initiative, and teamwork. Each followed by definition and behavioral indicators. Two site managers, 1 team leader, and 4 technicians that were interviewed regarding the proposed criteria said that it was more objective to assigned scores accordingly, even though more time consuming (took about 15 minutes to assessed 1 technician). Application of the proposed criteria is still a long way home, for it needs strategic decision-maker approval despite its benefit.

4.2 360-degree Feedback Item Evaluation

To evaluate the implementation of 360-degree feedback in the three organizations, we develop an item evaluation based on several works of literature such as London and Beatty (1993), Antonioni (1996), Edward, and Ewen (1996), as well as Rogers and

Rogers (2002). The resume of item evaluation can be seen in Table 3.

Table 3: Item Evaluation of 360-Degree Feedback Process

No	Item Evaluation	Researcher (s)			
		(1)	(2)	(3)	(4)
1	different data sources	v	v		
2	different aspects	v	v		
3	goal: developmental vs. administrative		v		
4	appraisal form		v		
5	written feedback		v		
6	appraiser anonymity		v	v	
7	selecting peer appraiser		v		
8	appraiser training		v	v	
9	training for appraises		v	v	
10	training for coaches		v	v	v
11	feedback report				v
12	self-appraisal		v		
13	reactions to feedback		v		
14	coaching steps		v		
15	targeting improvement		v	v	v
16	action plans		v		
17	reporting results back to the appraiser		v		
18	specific goals/action		v		
19	just-in-time training		v		
20	mini-assessment/follow-up		v		
21	recognition for improvement		v		
22	accountability		v	v	
23	increase awareness of others expectations		v	v	
24	improvement in appraise work behaviors/performance		v		
25	reduction of un-discussable		v		
26	increase in periodic 360-degree performance reviews		v		
27	management learning		v		v
28	link and align with organizational strategy				v
29	automate			v	
30	assure fairness			v	
31	simple			v	
32	time-efficient			v	

Note: (1) = London & Beatty (1993), (2) = Antonioni (1996), (3) = Edwards & Ewen (1996), (4) = Rogers & Rogers (2002).

360-degree feedback case studies evaluation

According to the item evaluation in Table 2, we conducted the evaluation process of 360-degree feedback implementation in those three

organizations. The results of the evaluation process can be seen in Table 4. In those cases that we studied, the evaluators assessed a similar aspect of a certain employee. This was not fit to London and Beatty's (1993) rule, where different evaluator evaluates the different aspects of the employee being assessed. This situation can lead to inappropriate information for not all evaluators familiar with how the employee's doing on those aspects. If the evaluator did not have sound knowledge regarding the person he/she assessed or what is being expected of him/her (in line with his/her job descriptions), the score is assigned to that person most likely would not reflect the actual situation. The good thing is that evaluators involved in the process were chosen from the immediate circle of the person being assessed (referring to the organizational structure: superordinate, peer (s), self, and subordinate (s)). This activity reflects the participative design principle had taken into account (Edwards and Ewen, 1996).

Table 4: Evaluation Results of Three Organizations on 360-Degree Feedback Steps

No	Item Evaluation	Org 1	Org 2	Org 3	Note
1	different data sources	x	x	x	
2	different aspects	v	v	v	
3	goal: developmental (dev) vs administrative (adm)	adm	adm	adm	
4	appraisal form	v	v	v	
5	written feedback	x	x	x	
6	appraiser anonymity	x	x	x	
7	selecting peer appraiser	v	v	v	
8	appraiser training	x	x	x	
9	training for appraisees	x	x	x	
10	training for coaches	x	x	x	
11	feedback report	v	v	v	not for individual
12	self-appraisal	v	v	v	
13	reactions to feedback	x	x	x	

No	Item Evaluation	Org 1	Org 2	Org 3	Note
14	coaching steps	x	x	x	
15	targeting improvement	x	x	x	
16	action plans	x	x	x	
17	reporting results back to the appraiser	x	x	x	
18	specific goals/action	x	x	x	
19	just-in-time training	x	x	x	
20	mini-assessment/follow-up	x	x	x	
21	recognition for improvement	x	x	x	
22	accountability	v	v	v	
23	Increase awareness of other's expectations	n.a.	n.a.	n.a.	
24	Improvement in appraisee work behaviors/performance	n.a.	n.a.	n.a.	
25	Reduction of undiscussable	n.a.	n.a.	n.a.	
26	increase in periodic 360-degree performance reviews	n.a.	n.a.	n.a.	
27	Management learning	n.a.	n.a.	n.a.	
28	link and align with organizational strategy	x	x	x	for a specific target of employees
29	automate	x	x	x	
30	assure fairness	v	v	v	in terms of that, there are

No	Item Evaluation	Org 1	Org 2	Org 3	Note
					behavioral indicators
31	simple	v	v	v	
32	time-efficient	v	v	v	

From Antonioni's (1996) perspectives, all organizations did not exactly follow the input-process-output sequence. Even though all organizations did not explicitly state the purpose of the appraisals, it can be said that the purpose was administrative. It means that if the organization does not have the appropriate culture to support that purpose, the intended result will not be achieved (Rogers and Rogers, 2002). To support the fully functional 360-degree feedback, the organization needs to be less autocratic, so the upward feedback process can be done (Edwards and Ewen, 1996). Culture cannot be overlooked for it influences the 360-degree feedback assessment, especially in this case, is power distance (Peretz and Fried, 2012). High power distance in Indonesia sets the expectation that subordinates are not freely expressed anything to supervisors or someone on a higher level. In fact, in high power distance culture, there is a tendency to give higher ratings to supervisors than to subordinates (Rowson, 1998). If this cultural barrier is not set right prior to the deployment of 360-degree feedback, role model from senior management as prescribed are not visible (Rogers and Rogers, 2002). Despite all that, this does not mean that using 360-degree for administrative purposes is not possible since the trend to that side does increase (Toegel and Conger, 2003, London and Smither, 1995).

Training for the evaluators is another thing that did not do in those organizations. It brings even more value to the importance of the criteria and behavioral indicators used in the 360-degree feedback. Coaching was another thing that did not deploy in all organizations being studied. Not to mention just-in-time training or most of the activities in the process section. Again, this is not an ideal practice prescribed by Antonioni (1996).

4.3 Cross Case 360-degree Feedback Evaluation

According to the evaluation results in all organizations based on 32 item evaluation in 360-degree feedback, most of the item evaluations are not done yet by the organizations. The result based on

item evaluation from the four researchers can be seen in Figure 2.

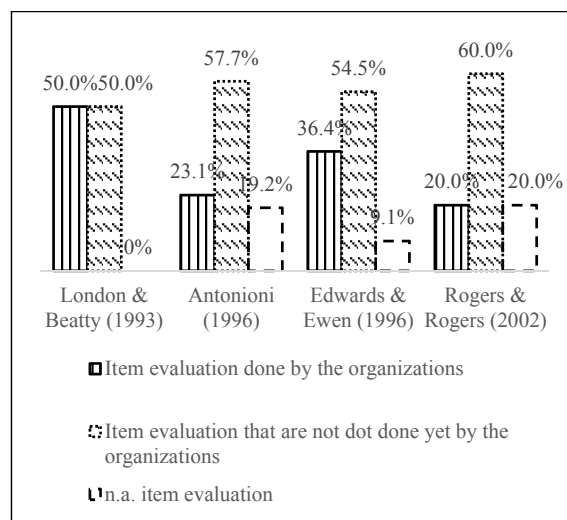


Figure 2. Percentage of Item Evaluation Fulfillment in All Organizations

Figure 2 showed where the organizations stand compared to the number of things that prescribed in applying 360-degree feedback. The graphic showed that things were not done by all organizations, outnumbered the things that had been done in order to be able to apply 360-degree feedback properly. 360-degree feedback practices of all three organizations were not yet met the required aspects form any of the four researchers referred.

Even though the three organizations that were the object of implementation had different business scopes, all three turned out to have similarities in the process of implementing 360-degree feedback. Generalization of these findings is still limited to the scope of profit-oriented organizations. While for organizations with a non-profit orientation such as NGOs and the public sector, there may still be differences.

Future studies can be directed to evaluate the implementation of 360-degree feedback in non-profit oriented organizations. Non-profit oriented organizations have different cultural characteristics compared to profit-oriented organizations.

5 CONCLUSIONS

Practices of 360-degree feedback in the area of organizations being studied are still at the early stage that comes from the increasing awareness that clear

and objective tools used in performance appraisal are deemed important. It was not surprising that the organizations did not see the whole picture of 360-degree feedback, to name a few: awareness and complete knowledge of the method.

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