

360 Degree Feedback: A Review of Literature

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Abstract: - 360 degree feedback, itself gives a clear picture of the organization being flexible, and adaptive as per the need of the people in the organisation. 360 degree feedback is a process of evaluation where usually feedback is taken from superior, peers, subordinates, worker and customers and after the evaluation is over the feedback is shared with the worker by the manager giving them a clear picture and even hinting at their growth by giving developmental sessions. 360 degree feedback is utilized for two purposes i.e. assessment and development. This paper presents the study of past literatures of job satisfaction between the years 1995 to 2013. The purpose is to find out the contribution of 360 degree feedback to the organizations and its growth. From the review of extant literature, it has been found that 360 degree feedback is a process which is valued by the employees as it helps in their career growth, career development as well as it helps with higher level of organizational performance.

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

I. INTRODUCTION

360 degree feedback, in today's date is of utmost importance to the organizations as it is a world of competition. The organization that has been able to maintain its sustainability in this competitive world is mostly because of its employees. Because organizations are by the people, for the people and to the people. 360 degree feedback opens a way towards the success for the organization. It is an evaluation process where the feedback is taken from worker, superior, peers, subordinates and customers. After the evaluation is over usually the results are shared with the worker by the manager. 360 degree feedback is basically conducted for two purposes i.e. for assessment as well as development.

In comparison to the earlier days, today 360 degree feedback has gained much importance because of several reasons. For instance, companies have found that the feedback from employees and customers are helping them avoid any negative impact on organizations. At the same time, making a move from the traditional method was difficult in the beginning as it was risky and threatening. But with passage of time 360 degree feedback gained importance and today it is used heavily in assessment and development. Today researchers are trying to find out how 360 degree feedback can make more value additions to an organization. This review of literature is an attempt to

understand the researches done in this area in the last couple of years.

II. OBJECTIVES OF THE STUDY

The major objectives of the review are:

- To explore the kind of extant research undertaken and available in the field of 360 degree feedback.
- To highlight the gaps existing in the current literature and emphasize upon the important and interesting areas of research herein.
- To establish the importance of evaluation of 360 degree feedback on organizations.

III. METHODOLOGY OF THE STUDY

The articles reviewed in this conceptual review paper have been downloaded from google, emerald data base and proquest data base. In total 30 articles published in between 1995-2014 have been chosen for review.

IV. REVIEW OF LITERATURE

Baker (2009) highlighted on 360 degree appraisal which is a simple pragmatic solution for doctors. Anonymity is one of the important factors in 360 degree appraisal which has to be maintained. Many of the doctors scored well in regard to the availability, quality of care extended, teaching as well as responsibility giving assurance to both the employer and the individual. Here the study revealed that 360 degree appraisal is an effective tool for doctors and patients with rich quality service by bringing information regarding revalidation, reassurance and effective appraisal.

Curtis (1996) highlighted on why employers appreciate 360 degree feedback. When 360 degree feedback is introduced everyone may not be comfortable but it is a part in the process of change. 360 degree feedback helps in having an enhanced management style, improved communication, better team work, better understanding of strength and weakness and recognition of value of good relationship skills.

Huggett (1998) highlighted that 360 degree feedback has great expectations. Where in it was found that the information which was gathered by the 360 degree feedback

was intended to be used as a support to the appraisal process rather than development and it was found that the 360 degree feedback can be used as a process of collecting information on which the discussion regarding the performance can be taken ahead as it makes the discussion worth in relation to the efforts involved. But at the same time the organization has to be very cautious in its implementation without disturbing the mindset of the employees.

Hallam (2004) discusses on Advancement of Human Asset Management by using 360 aggregate reporting. For an organization the key competitive advantage it has is its “**People**”. 360 degree aggregate reports helps the organization to market its innovation and its customer service strength which in return helps in increasing the sales as well as the profits. It emphasizes on the training to be provided to strengthen the skills of the staff. Organizations use 360 degree aggregate reports as a meaningful figure to mainly look at a collaborative project which helps in designing, coaching and training. Today Human Resource professionals are equipped to analyze the 360 degree aggregate data and contribute to the more effective management of their staff.

Edwards (1996) studied on the 360 degree feedback improving the performance. It increases the performance of the employees as it gives a variety of career development opportunities. It is possible to have better performance because 360 degree provides a strong motivation, enhances information quality, increases the staff knowledge, supports continuous learning.

Heisler (1996) in his article highlighted on creating an integrated 360 degree feedback which supports the organization business objectives and promotes its competencies. The feedback which is generated from the process should always provide the support tools for interpretation and even help in the developmental action planning. The aim of the 360 degree feedback has to be clear and it is not assessment rather development.

Moxley (1996) states about making managers more effective by using 360 degree feedback. 360 degree feedback is actually one part of the management development process. At the same time 360 degree feedback provides an in-depth feedback which helps in encouraging and motivating efforts by the individual themselves. 360 degree feedback is a regular process through which managers need to motivate themselves and reenergizing themselves throughout their career. The feedback which is generated has to be for development purpose and should be handled carefully.

Pollitt (2004)'s study asserts that 360 degree feedback helps individuals in many ways such as improving performance, structuring competencies etc. He also states that it is flexible

and friendly and is more appreciated than conventional method.

Gore (1996) states that managers are the person who is accountable for the company outputs therefore, managing people in the organization is very important. 360 degree feedback system was used here to collect data on managers relating to their behavior and performance. The data was given by the line managers then the developmental tool kit was developed. This process helped the managers to understand “**the concept of competence models**” and relate it to their performance. Competence models are also drawn to support the company goals. 360 degree feedback is used for the training and development needs as well as appraisal and it was found that when 360 degree was related to appraisal it resulted in a more effective manner.

Thomas (2004) highlights on how V& A was successful by adopting 360 degree feedback. The main purpose of V&A was to develop the skills of its people. Here the entire process was conducted online which helped in getting feedback from senior manager where in the process was safe, secure and easy to use maintaining the anonymity of the person giving the feedback. Hence it helped in supporting the personal development and enhancing the talent pool and also helping people in knowing their own strength and development needs.

Coates (1996) discusses about the Multisource feedback and its recommendations. 360 degree feedback is a very effective process of feedback followed by development wherein technology has to be properly understood before implementing. The organization should be prepared for the implementation of the process keeping in view two important factors: skilled facilitator and maintaining confidentiality. The feedback leads to the developmental activities which should be timely followed up. Well researched and well constructed survey items should be kept in mind so that separate developmental feedback form should be used for personnel and compensation decisions.

Newbold (2008) says 360 degree appraisals are classics. 360 degree appraisals are a powerful addition to the performance management system. It should be in alignment with the strategic aim of the organization. The author also focuses on the success of the 360 degree feedback. It is a success only because of 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.

Garavan (1999) focuses on self-awareness development in the managerial career development process by using 360 degree feedback and MBTI method. It was found in the research that 360 degree feedback was more effective because it helped in making plans for development as the feedback generated was extremely valuable. It is successful

when individuals are trained to receive, give and gain constructive feedback. It helps the individuals to know themselves much better and help them in their career growth.

Testa (2002) states that there is a direct relationship between stakeholder perception of leadership effectiveness and self perceptions. When the leaders are taking decisions without knowing the complete information it leads to failure. Stakeholders' play a vital role in the organization success. When the several (Internal and external) stakeholders perceive the organization in a positive manner then the organization earns success. 360 degree feedback here evaluates the whole leadership team. The whole team works to find out solution where in it makes them understand their accountability to each other and it also promotes team development.

Rowe (1995) states that introducing 360 degree feedback into an organization depends fully on its culture. It plays a big role at the same time if the culture does not fit in then the feedback system can't be taken back at a later point of time therefore 360 degree feedback gains value when a wider range of people are involved in the process as it improves the quality of the feedback. Each one of them contributes in making the process more effective.

Vloeberghs (1999) highlighted on the effect of Multi-rater feedback on personal as well as organizational front. An individual growth happens when psychologically the person accepts the job happily. When the psychology of the person is rated low then it leads to dissatisfaction. The research suggested that to improve the individual performance it should also be backed up with Assessment Development Centre methods leading to higher organizational performance.

Alexander (2006) focused on how 360 degree feedback affects the employee attitude, effectiveness and performance. Organizations will be able to get benefit from the 360 degree feedback when the learner or the employee who is imparted training accepts the feedback and takes appropriate action to make the necessary changes. The right organizational climate helps in gaining benefit from the implementation of the 360 degree feedback process. The design and the implementation have to be always taken care properly.

Cullianane (2005) discussed on introducing 360 degree feedback as the patent office which is an executive agency of the department for Trade & Industry. The test was basically to observe the training aspect rather than performance appraisal. The study revealed that many of the employees /participants had a bad perception that the feedback did not help them in raising their self-awareness as the matter discussed were not new to them.

Prideaux (2006) highlighted on using of Multi-Source Feedback in converting professionals into managers. MSF (Multi-Source Feedback) was found to be useful tool for the development of the seniors professionals where there was a willingness and acceptance leading to the personal and organizational change. The limitation of the study was it was conducted in a particular organization and the results can't be generalized. 360 degree feedback to be successful needs the senior management support, relevance of the feedback, communication and accountability.

Stark ,Kornstein & Karani (2008) highlighted on the degree of effect 360 degree feedback has on the comfort level of faculty and their skills. It was found that 360 degree feedback provides best results when it is used for training purpose. The limitation of the study was they were not able to figure out the differences in attitudes.

Farner (2002) highlighted on the development of expatriate by the use of 360 degree feedback. In this global competition the importance of developing expatriate managers also heats up. Now- a-days MNCs are investing more resources and attention towards the cultural training for improving the performance of their international assignees and using 360 degree feedback as a tool to monitor the effectiveness of that training.

Drew (2009) highlighted on individual leadership development by using 360 degree feedback. The author analyzed that 360 degree feedback has favorable influence in different universities as well as also in knowledge based entities in the aspect of leadership. Here "People engagement" was thoroughly checked by gaining well defined feedback. 360 degree feedback is considered as an adding value to individuals where in individuals looks into their self and work on it for their own development there by meeting the organization's objective.

Flynn (1997) highlighted on the role of 360 degree feedback in the development of employees. It helps the employee development in various ways like Career development, Self- development, Executive development and remedial training. Feedback is the essence here which helps the manager to use the feedback to prepare the developmental plans for the employees. When 360 degree feedback is used for developmental purpose the employees give a balanced set of feedback rather than when used for appraisals.

Albrecht (2000) discussed on developing the leadership and management skills by using 360 degree feedback and Integral Model. 360 degree feedback can be success when the questionnaire prepared is as per the requirement of the organization and it even depends on the steps which are followed in the whole process. At the same time an ILMD model was used to develop an instrument for leadership and management development where in it was found that

managers were not good at communicating the organizational visions and objectives properly. Therefore, 360 feedback has a more bright future than any other method of feedback. As it gives a wider detail view about a manager's leadership and management skills there by opening a way for developing on it.

Morse (2007) discussed about the gender differences within the 360 managerial performance appraisals. It was found in the study that 360 appraisal systems does not discriminate the female managers in relation to their male counterparts. Here, the view of superior, sub ordinate, peers are taken and where in it was found that there was hardly any difference. It says that 360 degree feedback is one of the feedback process in which the process is very genuine giving the accuracy in the data collected. The limitation of the study was it was conducted on one company which cannot be generalized.

Robertson (2010) highlighted on the impact of gender differences on seniority level by using 360 degree assessments which has a behavioral impact on influencing, leadership and team behaviors. The author suggested that in every organization the employees should be well familiar with the influential factors of change process as well with the hierarchical systems of authority. The study also imparted on development of leadership system in an organization to make well conversant with the change in different level of positions both from the aspect of male and female which ultimately lead to growth in organizational performance.

Hurley (1998) highlights the importance of team base 360 degree feedback. He states that to make it effective, team members should be encouraged to set their goals in alignment with the team goals. When 360 degree feedback is applied on a work team it helps in achieving the team goals by fulfilling the individual goals as here each and every individual in the team is given importance and they play a major role in deciding of the team goals. Design and implementation of 360 degree feedback is critical and when it is done in a proper and systematic way it has a variety of positive effects.

Whiddett & Galpin (2002) stated that 360 degree feedback should be designed as per the organizational need as well as its objectives. It helps the organization to utilize the feedback effectively in the appraisal process and training & development also leading higher organizational performance. Organizations at the same time should be clear about the 360 degree feedback process, its objectives before its implementation. There are three basic considerations to be made in 360 degree feedback i.e. who should be rated and by whom and the rating scales to be used.

Shipper (1998) highlighted on the impact of 360 degree feedback on training in a Management Development

Program. It was found in the study that 360 degree feedback to some extent enhanced the training indicating towards the profile level upgradation and not at the individual level. The limitation of the study was it focused only the training aspect.

Samaduzzaman (2013) discussed that 360 degree feedback is an effective performance evaluation method to measure the efficiency of a person. The feedback helps in removing the misconceptions or wrong perceptions where in the author failed to focus on the type of the organizations where 360 degree feedback has been used and has made an impact.

V. CONCLUSION

The literature review discusses that the 360 degree feedback to be successful the organization should have two main aspects i.e. the process and the purpose. Until and unless the process and the purpose of the implementation is clear to the people within the organization it will never be a success. 360 degree feedback has mainly two purposes to solve i.e. appraisal and training and development. It is found in the research that when 360 degree feedback is implemented with an integrated purpose of both appraisal and development the feedback obtained provides more clarity. As literatures reveal, 360 degree appraisal has been used mainly for these two purposes: appraisal and development. Research can be conducted to explore other usages of 360 degree appraisal. For example, in few cases 360 degree feedback results are used in development centres. Implementation of this process in recruitment in professional colleges can also be explored. As recruitment is one of the crucial parts of the organization a wrong hire will lead to decrease in productivity. If we are able to incorporate 360 degree feedback to recruitment we will have a clearer picture of the person we are hiring as we have also have a multi-rater feedback. For Example, In case we are hiring a candidate from a MBA College we can have their professor (Area wise), class mates, recruiter itself as the multi raters, where all contribute in giving a more clear view of the candidate as a best fit for the opening.

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