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The Degree Feedback 360 as A Performance Management Tool for Performance Appraisal and Identify Competency (Especially Managers)

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ABSTRACT

The current business world, undoubtedly, the world are organizations, and needless to say that, original custodians of creation, maintenance and development organizations, human beings. Dynamic organization, without human actors, does not mean. Even with organizations being technology and its place as a programmer, designer, supervisor, controller, and server technology will keep improving. In modern look, human is known as the key element of human resource and organization, that some people called it "A unique asset organization" or even "Strategic weapon to create competitive advantage" to remember. In this paper, I review experimental-library of behavioral, standards and situational approaches of competence managers, and offer key indicators for the 360 degree feedback, and as a result of this feedback, I will offer Competency Managers Model. Managers competency empowerment based on 360 degree evaluation reduce challenges and concerns of organizations in the way globalization(managers), the identification results, can lead to planning, education, strengths and weaknesses of managers in organizations should be, and practical criterion for sustainable development in the business world to them.

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INTRODUCTION

During recent decades, economic, political, geographic and technology changes have had tremendous impact on organizations. Rapidity of these changes, along with global competition growth, has forced organizations to re-consider their performance methods and to re-organize their activities. Human beings have vital and determinant role in heart of organizations, therefore identifying and promoting their skills, knowledge, abilities and their competence is an essential and inevitable job for success of an organization.

Since the role of a manager as one of the most important leading and guiding factors is undeniable in any organization, hence evaluating manager's performance is necessary in order to know manager's success rate in doing his/her guidance role and increasing the competence standards and finally in achieving organization's successful performance.

360- Degree feedback is a performance evaluation method in the field of leadership quality development and development management. This process is a complete cycle which provides summary of feedbacks given by supervisors, employees, colleagues, customers, employers, etc. about various aspects of leadership and management styles. The purpose of this paper is to identify required criteria empower managers' competence through 360- degrees feedback.

Performance Management:

Performance management can be considered a set of actions and information to be done economically efficient and effective in order to increase level of optimum consumption of resources and facilities to achieve the targets. Performance management is a scientific term for those organizational activities which deal with management of affairs, vocational and behavioral responsibilities of the employees. Performance management is a way to facilitate communication and to create mutual understanding between employees and supervisors and it leads to a more desirable work environment and greater commitment to service quality. With respect to the above definitions, performance management can be considered an approach creating an environment with optimum usage of resources and facilities in order to achieve objectives of organizations by mutual communication between employees and supervisors which leads to understanding of organization's demands

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and expectations and transfer of demands and requests from employees to organization supervisors and managers. Performance management enables supervisors to identify poor performance of staff and take action to improve it and encourage ideal performance by giving appropriate allowances and increase the repetition of these ideal performances. Performance Management is a process which includes all performance assessment, disciplinary systems and complaints inquiry policies as its management tools. The techniques and tools of this management are applied to enhance employees' productivity and to gain competitive advantage.

Performance Appraisal:

Many definitions have been provided for the term "performance appraisal". In order to properly understand a phenomenon or a subject it is necessary to achieve a common definition and understanding of that phenomenon or subject. The subject of performance appraisal is no exception. It must be noted that with regard to the relative similarity of this concept, appraisal concept must be defined in employees' dimension, in usage of resources and facilities dimension and finally in the form of organization. Performance appraisal is a process by which employee's performance is measured and if it is done properly, all employees, supervisors, managers and finally organization will benefit from it. Performance appraisal is also defined as the systematic description of strengths and weaknesses of individual or group performance in relation to fulfillment of trusted duties. Performance evaluation in ways of resources and facilities usage is described in the form of efficiency indicators. If we consider efficiency as ratio of input and output, performance appraisal system evaluates efficiency level of manager's decision in relation to optimal use of resources and facilities. Performance appraisal in organization dimension is usually equivalent with effectiveness of activities. By effectiveness, we mean the rate of achievement of objectives and plans specified by efficiency of activities and operations. Generally, performance appraisal is defined as the evaluation process and measurement of systems' performance in specific periods, in a way that the judged expectations and indicators to evaluate the system are transparent and are notified in advanced.

Process of Performance Appraisal:

Each process includes a set of activities and actions with specific logical and targeted sequences. In the process of performance appraisal, for each of the chosen models and patterns the level and sequence of following activities are necessary.

To codify the indicators and relevant dimensions and axis and to determine their evaluation unit:

Indicators determine organizations' route in achieving goals. The first steps to codify indicators are concentrated in vision, mission, macro objectives, long-term and short-term strategies, operational plans and main activities.

Codified performance appraisal indicators should hold specifications of a SMART & D system which are as follows:

- An index must be specific, special and determined. In other words an indicator must be comprehensive, clear, simple, transparent and direct in a way to provide same understanding of concepts.
- An index must be measurable. Measurement of indices must be easily possible. In other words, in addition to quantitative performance, an indicator must have the ability to define index's qualitative performance in models with quantitative variables.
- An index must be achievable.
- An index must be realistic meaning that it must be relevant with organization's activities, missions, guidelines and real strategies and also with critical and key areas.
- An index must have Time frame, meaning that it must have a determined evaluation period.
- An index must have database, meaning that the required and relevant information and data must be available.

To determine indicators' weight in terms of their importance and their most relevant points:

Meaning that how importance are indicators' dimensions and axis? Are indicators equally important or they are different? Which indicators are most and least important? To determine the indicators' ratio and weight we can name methods such as Likert method, NGT, Borda method, expert choice method and Analytic Hierarchy Process method (AHP).

To standardize and determine an index's ideal situation:

Performance criteria and amount of indicator qualitative and quantitative realization, average of performance growth rate in previous years and moving average for the last two or more years, will be determined and extracted with regard to specific determined objectives set for that period and effective phenomenon in indicator's realization mode. In determining the ideal situation for indicator's performance, one

must act realistic and non-ambitious and unites which are responsible to perform and practice the indicator must be fully agreed.

To notify and announce expectations and indicators to entrants:

In Conventional performance appraisal methods, entrant often encounters scores and evaluation judges without being aware of evaluating indicators. If we consider entrant's growth and development as the essential goal of evaluation, then it is necessary to announce expectations prior to the evaluation period to organization's personnel in the form of indicators, so that they can appropriately plan, organize, communicate and fulfill other expected performance process.

Measurement and evaluations by comparing the actual performance at the end of evaluation period and the pre-determined ideal standard:

In this stage, activities and achievements of the employees are assessed in relation with each indicator. Also, for each index, the actual performance is specified using total current realities and compared with standard ideal performance. Required surveys will also be done regarding that indicator's situation to achieve objectives. In this stage all organizational strengths, weaknesses, opportunities and treats in achieving organization's goals will be identified.

Extraction and Analysis of Results:

Finally the required analysis will be done and modification actions must be determined if required to develop performance. Note that in performance results the approach and the dominant perspective are significant in performance appraisal. For instance, if performance appraisal of a process is concentrated, the results of this assessment will lead to determination of ideal situation or undesirable performance of that process. If the process causes an increase in surplus value of organization, its performance is ideal otherwise the reason for negative performance of the process must be investigated. The investigation can be done by differentiation of experiments' designs and to reduce error, six sigma can be used which is a practical method in most leading organizations. To develop inside of process, Continues Process Improvement method can be used and to total improvement and improvement of external factors, re-engineering is needed.

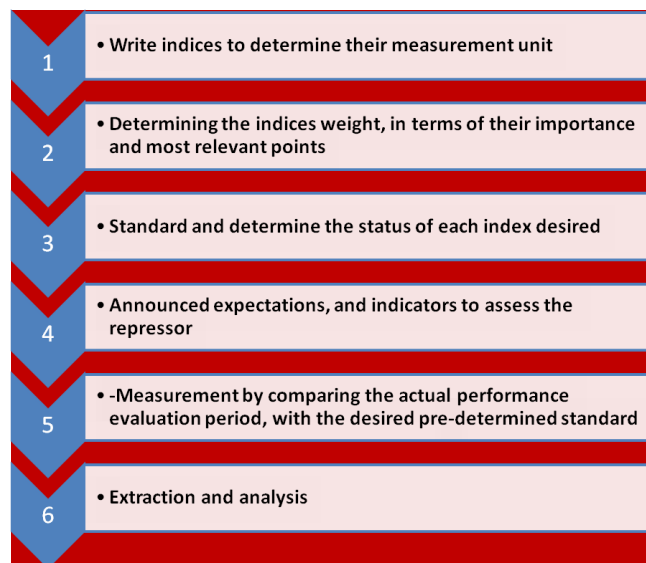


Fig. 1: Appraisal Methods

Since the very first use of simple appraisal methods, numerous methods have been created and used. Different appraisal methods with regard to the evaluation indicators can be divided into three categories:

- Methods of Features Evaluation
- Methods of Behaviors Evaluation
- Methods of results Evaluation

Methods of features evaluation:

In this method, individual's specifications like creativity, leadership, trustfulness, etc. which seem to be important for occupation and organization will be evaluated. Although this methods use the most conventional indices of organization to evaluate individuals, but it is weaker than other evaluating methods. However, experts

recommend that individuals' specifications and features must be chosen accurately based analysis on their occupation, otherwise evaluations would be unrealistic.

Methods of Behaviors Evaluation:

Methods of behaviors evaluation are applied to describe necessary and unnecessary actions in an occupation. Data collected by applying this method, will be useful and effective in providing reformative and developing feedbacks to employees.

Methods of results Evaluation:

In case the goal is concentrated (not the process), the result will be evaluated. If it is supposed to evaluate the result of the performance of a factory's manager, indices such as production rate, wastage rate and final value of each production unit must be used.

Table 1: Comparison of Advantages and Disadvantage of Appraisal Methods

Methods	Advantages	Disadvantages
Methods of features evaluation	They are inexpensive and can be easily expanded. They are rational and understandable. They are easy to use.	They have high Potential to indicate errors. They are not helpful in providing advices for employees. Not suitable for allocation of allowances. Not suitable for promotion decisions.
Methods of Behaviors Evaluation	They use certain functional aspects. Acceptable for employees and supervisors. Useful and appropriate to provide feedback. Reasonable and fair for allocation allowances and decisions regarding promotion.	Developing can be time consuming by applying these methods. Their development is expensive. They have necessary Potential to indicate evaluation errors.
Methods of results Evaluation	Mental errors rarely happen in this method. Acceptable for employees and supervisors. Relates individual's performance to organizational performance. They encourage mutual goal setting. Suitable for allocation allowances and decisions regarding promotion.	They are time-consuming for development. They might encourage short-term attitude. They may use the controller criteria. They may use non-efficient criteria

360-degree evaluation:

The new combination approaches is assessment issues and improve performance. In this way, the prospect of a comprehensive assessment, there are considering it, people can function as your business to judge others, they are evaluated.

360- Degree process:

360-degree feedback system includes different levels:

360-Degree Feedback Goal-Set :

The aim of 360-degree feedback is to use obtained information from the process for development of occupational career and performance appraisal. This goal should be specified at the beginning of the process be related with all the involved stakeholders in the process.

Selecting Data Collection Tools:

Appraisal tools include questionnaires which are answered and filled by different evaluators. However, some organizations use interviews. Of course the numbers of these organizations are very low.

Decision making in cases:

In this area, it is recommended to pay attention to actual behavior of individual rather than general features. Many experts have recommended that appraisal items must be based on specific contents, in a way to reduce evaluation error. Behaviors to be evaluate, must be conducted from organization's values and perspective.

Decision making about feedback receivers:

In this stage, the receivers of feedback are determined. In management literature, it is believed that individuals must voluntarily participate in feedback program. Compulsory attendance (participation) can be considered threatening and endangers effectiveness of the system. As a result of strong feedback provided by employees, 360-degree feedback is a useful tool in leadership development plans.

Training assessment providers and assessment receivers:

Relationship with all the involved stockholders in the process of 360-degree feedback is necessary in the stages of designing and performing feedback and training is a part of this process. Assessment provider's

training in the area of acceptance of negative feedback is compulsory. Assessment providers must be aware of different errors that may encounter.

Feedback receivers choose evaluation providers: evaluation providers include chairman, individuals, employees and domestic and external customers.

Distribution of questionnaire:

Questionnaire is in two formats. One is the format of pen and paper which is used by evaluation provider to evaluate different behaviors of a person. A more effective way is to send a CD to each evaluation provider so that they can answer the questionnaire electronically.

Analysis of feedback information:

This stage is done by external consultants. In this stage feedback information are collected and required reports are prepared.

Giving feedbacks to feedback receivers:

Once the reports are prepared and the final report is completed, feedback is presented to feedback receivers.

Following implementation of process:

Feedback receivers must be able to create development areas and to apply the data collected from feedback in development and training areas. It is necessary for feedback receivers to have practical plans to solve their weaknesses.

Repetition of process:

In organizations where 360-degree feedback is effectively in progress, process may be repeated after receiving the initial reports of feedback. Of course this process is new in many organizations and the aim of getting 360-degree feedback is to create participation opportunity for employees.

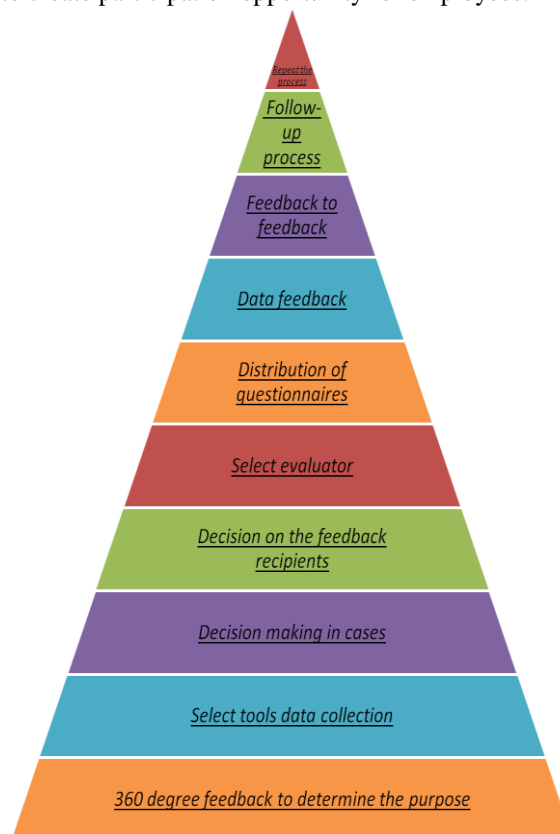


Fig. 2: The different models of 360-degree appraisal

Conventional models in 360-degree evaluation tools development which can be used to design feedback processes are mentioned.

The first model is the “occupation analysis” model. This type of evaluation, measures the skills and abilities based on procedures of traditional occupation analysis. For instance required knowledge, skills and abilities for

a specific occupation, will be determined throughout interview with people in charge and collected data from questionnaires related to occupational information.

The second model is based on individual abilities. This model is concentrated on evaluation of abilities related to a specific occupation rather than simple measurement of skills and abilities.

The third model is focused on strategic planning. This type of 360-degree appraisal, measures the skills and abilities based on strategic plans of organization. It is believed that these behaviors or abilities assist organization in achieving its goals and strategic plans. These knowledge and skills can be considered as strategic, which are determined by interviews and focused on key executers of organization.

The fourth model is resulted from theory of development which has close relationship with conceptual and theoretical models of growth and development. Therefore, 360-degree feedback leads to increase of awareness and to more effective development processes.

The fifth model is relying on personality theory. This model measures knowledge and abilities which are related to personality (such as; qualities, specifications, features, communicative styles, interpersonal relationships and knowing people). The tools are emphasized on personality features and feedback receiver will receive other people's reactions regarding their personal features. This model is less used in designing and development of 360-degree feedback.

Competence:

One of the reasons to perform 360-degree appraisal, is to evaluate and indentify managers' performance and to plan for them in order to increase their competence. From the perspective of many researcher and experts in the field of management, competence has different definitions. A summary of all existent definitions includes these three main subjects:

- a. Competences are defined as features of an individual which specify performance or behavior at work.
- b. Competence has a close and direct relation with effective or dominant performance, and distinguishes individuals with dominant performance from those with weak or average performance.
- c. Competence is a general concept which includes all individual specifications, attitude, value, knowledge, skill, ability, etc.

Competence approaches:

Researches like Bvyatzys, Spencer and Spencer, Schroeder and Dulewicz, after several investigations have provided three main approaches for management competence:

Behavioral Approach:

In this approach, competence is introduced based on behavioral terms and it is mainly focused on introducing types of behaviors that are associated with high performance. This approach has many applications in evaluating managers by 360-degree method. In this approach behaviors proportionate with high and dominant performance are identified and evaluated.

Standards Approach:

This approaches focuses on introducing the least performance standards in management positions based on performance analysis of an occupation or position in order to guarantee the pre-determined quality in results of an occupation.

Situational Approach:

This approach can be subset of behavioral approach, but it is more concentrated the issue that, can circumstances factors effect required individual competence for high performance?

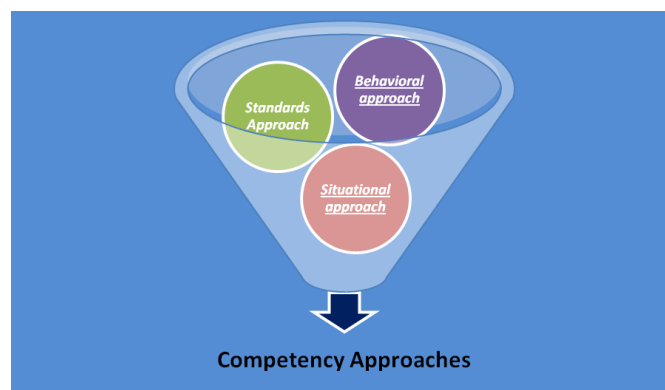


Fig. 3:Competency Managers Model

Industrial development organization of United Nations, has listed 14 required competence for all managers in different industries as follows:

- Strategic thinking and scenario building capability
- Analysis, problem solving and decision making
- Planning and organizing
- Change Management
- Managing small organizational groups
- Managing large organizational groups
- Team Leadership
- Information Management
- Creativity and Innovation
- Representation and Discourse
- Spirit of entrepreneurship and coaching
- Easy to moderate building and building groups
- The ability to provide content and public speech
- Interview

Since a suitable model for development of each organization requires identifying mission, perspective, target markets and development of human resources in each organization, therefore, after investigating defined organizational values for several leading companies such as Microsoft, Sony, Emirate Air, Michelin, PETRONAS and Tata, we present the general competence model with 6 main indicators and 26 sub-indicators, based on learning oriented approach as follows:

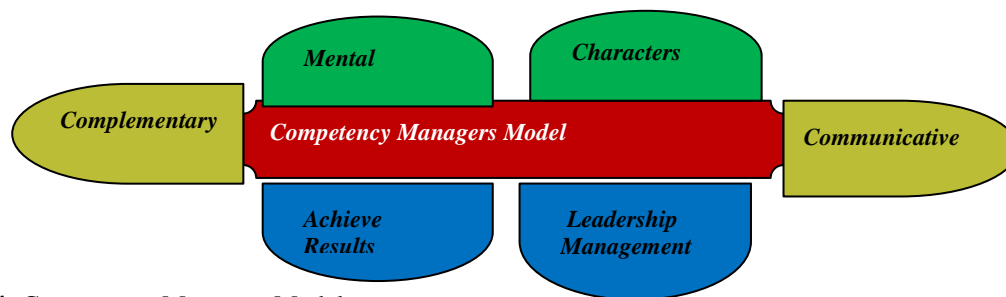


Fig. 4: Competency Managers Model

Mental competence, including:

Working knowledge and problem solving - ability to understand problems, analyze issues of power and the relationship between its components, using knowledge of work and selects the most appropriate solution to solve the issue

Creativity, innovation and initiative - having vision and modernity in the field to create new and diverse options and providing valuable suggestions to improve work and remove barriers

Strategic Thinking - Strategies fully understand the organization and understanding long-term plan and having a system-based approach central to the process

Corporate Vision - fully understand the position, and prestige organization and opportunities and internal and external threats that the mutual influences of various units of organization

Professional seeking perfection - no contentment to the current situation in business and organizational efforts to realize the ideals of practical knowledge via individual and group

Characters competency, including:

Accountability - loyalty and stability in difficult times and problems resulting from the Tasks and efforts to achieve the desired result and the expected terms of regulations and procedures and effectively adapt existing emergencies

Flexibility - patience in dealing with others and considering their suggestions and criticisms and accepting effective solutions and non-interference in personal tastes and interests work

Pressure stability - employment hardships and lack of organization and spread to staff and colleagues and having the capacity to dominate the personal feelings

Communicative competence, including:

Popular - having good conduct and reputation from the perspective of colleagues and superior capabilities and the ability to attract and attract others to cooperate in organizational interactions

Public relations and social - to enjoy good reputation in terms of human communication and acceptance of knowledge and skills between the partners and staff

		timely implementation of programs												
Complementary	<i>Institutional loyalty</i>	A sense of belonging and commitment to organizational culture, organization and regulations with the aim of preserving the interests.												
	<i>Tasks Management</i>	The ability to create coherence and coordination required between the executive functions and factors												
	<i>Honesty and reliability</i>	Truthfulness, honesty and commitment to the principles of human speech and behavior												

Conclusion:

Competence managers' model, when applicable, which will be able to do it after, with 360-degree assessment, identify strengths and weaknesses of managers pay, and competence in order to empower managers, based on strategic plans, we defined recovery program. The important point is that, for every assessment capabilities based on administrator-defined indicators of competence, the personality profile match the job and working director of the indicators is important. Providing feedback from the results based on this 360-degree evaluation of 25 indicators deserve public managers, to form an interactive system in any organization requires, first and foremost, the same culture for the implementation of assessment is 360 degrees Surely signs of behavior defined for each indicator must be based on behavioral approaches, standards, and situational. Certainly signs of the behavior defined for each indicator must be based on behavioral approaches, standards, and the situation is. Accordingly, evaluator and employee should be able to evaluate (with learning approach oriented) themselves, are consistent.

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