

Fostering Innovation, Integration and Inclusion Through Interdisciplinary Practices in Management

720 Degree Performance Appraisal Systems

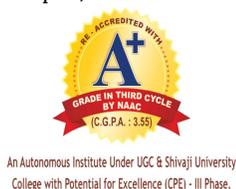
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ABSTRACT

Human resource (HR), the most important asset in any organization and its significance to any company is very well known accordingly. The picture in present scenario tells us that the overall performance of the company depends on its ability to observe the performance of its members. The specific measure on which an organization's performance depend, by using the same measure we can improve and optimize the employee's performance. The performance appraisal system plays very important role in human resource framework. This concept has stated in 20th century. It is the process of obtaining, analyzing and recording information about an employee to evaluate and improve their performance. This appraisal system has started from 90 degree to the 720 degree till date. Before the 720 degree appraisal system, the companies are using 360 degree system. But in modern management, the 720 degree appraisal system is about to work efficiently. It is an integrated method where the employee's performance is evaluated from 360 degree (Management, Colleagues, Self and Customers) and timely feedback is given. The performance is evaluated against the set targets. Therefore, we can state 720 degree appraisal as twice 360 degree appraisal. As the name suggests, the 720 degree performance appraisal is one of the recently introduced concept and the evaluation of the performance from all the aspects and gives timely feedback. In this paper, we are going to analyze and study the 720 degree performance appraisal system on various aspects.

1. INTRODUCTION

Performance appraisal conjointly call worker appraisal could be an methodology by which the job performance of an employee is evaluated in terms of quality, quantity, price and time. It is part of career development. Performance appraisals are regular reviews of employee performance within organizations. Any performance appraisal processes in following manner. Review the performance, judging the gap between actual and desired performance, strengthen the relationship and communication between superior – subordinates and management – employees, diagnose the strengths and weaknesses of the people therefore on determine the coaching and development wants of the longer term, provide feedback to the employees regarding their past performance and provide clarity of the expectations.

Any organization firstly thinks about its goals and aims at the effective solutions to achieve these goals. Therefore, in order to do this, an organization must monitor or measure the performance of each employee on regular basis. The monitoring should be effective and an organization can put this effectiveness by keeping feedbacks on time to time basis,

performance review on the basis of pre-determined standards and timely recognition of the accomplishments that motivates the worker to perform higher on a daily basis. While 360 degree performance appraisal can be a far framed performance appraisal system observe in several organizations, recently in the modern management, 720 degree performance appraisal system is also gaining popularity. In 720 degree system, we provide a feedback after the original 360 degree appraisal.

The 720 degree analysis is rising as attainable different appraisal technique. Organizations are slowly however steadily realizing the requirement for this new system, which is better than the existing 360 degree evaluation, especially in terms of the focus of the evaluation and the involvement of the evaluators in the process. Now, recently Cadbury introduces '720-degree' feedback. This study is targeting the requirement and significance of 720 degree Performance appraisal within the fashionable business world and conjointly differentiates this new rising technique from the 360 degree Performance appraisal. The method of 720 degree Performance appraisal developed through totally

different stages from 90 degree, 180 degree, 360 degree, 540 degree appraisal to 720 degree appraisal. "720 degree performance appraisal", is that the latest appraisal methodology that has been introduced in new economy co-operations.

### Objectives

- To understand the concept of 720 degree performance appraisal system.
- To study the various dimensions of 720 degree performance appraisal system.
- To identify the need and importance of 720 degree performance appraisal system.
- To know the advantages and disadvantages of 720 degree performance appraisal system.

### Research Methodology

This paper is based on secondary data.

## 2. 720 Degree Appraisal – The Concept



Fig 1: 720 Degree Review Model

A 720 degree feedback is performing a feedback after the main 360 degree appraisal. Many management consultants feel that doing a comprehensive 360 degree appraisal isn't complete in itself. They feel that an effective procedure to measure improvements and receive feedback is essential for the success of any appraisal. This gives a pre and post intervention result. The development intervention is then done to improve the participant's behavior. The post intervention survey then shows the amount of improvement within the results. The 720 degree appraisal system is a double check for the 360 degree appraisal system. 720 degree performance appraisal is that the latest appraisal technique that has been introduced in New Economy corporations. Accurately associate degree objectively measure the performance of a worker is the most tough part of the Performance appraisal method. Different ways are used for Performance appraisal that includes: Important incident technique, weighted checklist method, paired comparison analysis, graphic rating scales, essay evaluation method, behaviorally anchored rating scales, performance ranking method, Management by Objectives (MBO) method, 360 degree performance appraisal method, Forced ranking and Behavioral observation scales.

720 degree performance appraisal is an integrated method of performance appraisal where, the performance of an

employee is evaluated from 360 degrees (Management, Colleagues, Self and also customers) and timely feedback is given and performance is evaluated again based on the targets that are set. Hence, 720 degree performance appraisal can be stated as twice 360 degree performance appraisal: once when the appraisal is done, feedback is given and the boss gives tips to achieve the goals. Hence, there is a pre and a post round of feedback.

Consider an "inside and out" examination, the 720-Degree Performance Appraisal gives a representative feedback from more than one individual. This evaluation gives the employee a ton of feedback, for the most part from somewhere in the range of five to eight individuals, to give the representative an inside and out appraisal of his or her at work execution. The 720-Degree Performance Appraisal is like the 360-Degree Performance Appraisal. The distinction is that the more elevated amount additionally incorporates feedback from the client. Clients are included all the while. With client required all the while, the employee gets a decent sign in the matter of how he/she is carrying on to the outside world-i.e., clients. This can help a representative enhance client benefit aptitudes. 720 Degree feedback is performed after the 360 Degree input. We as a whole know the 360 Degree input technique and it is a broadly utilized strategy in large portions of the organizations over the world. 720 Degree evaluation is about doing the 360 Degree input twice in such a way that it enhances the execution of a representative in all measurements. In the main portion of the 720 Degree feedback i.e. 360 Degree feedback, the employee gets the input from associates, subordinates, bosses and customers, if the representative is seen of poor execution then the employee is taken to the instructing, tutoring, preparing and so on. The prepared employee will be put forth a strong effort. After the finishing of time, again 360 Degree feedback will be taken. This is called 720 Degree Appraisal strategy. This strategy accomplishes the objectives set for the representatives. This strategy offers contributions to progression arranging process.

Indian organizations are as yet delaying in executing the 360 Degree input except very few. This can be utilized as apparatus for advancement for the senior chiefs, as opposed to considering it as the execution assessment devices for representatives. Power and political issues will exist in Organization. Typically individuals (subordinates) not open their mouth about bosses. Significantly beat down correspondence exists in association. Since 720-Degree Performance Appraisal are led anonymously, those included, speak the truth about a man's execution. The threat here, obviously, is that the individual giving the examination could be extremely critical but, for the most part, there is less fear of retaliation for proving straightforward feedback to help the employee improve. Honest feedback can help the employee better understand his/her strengths and motivate him/her toward improvement. Legitimate input can help the employee better comprehend his/her qualities and propel him/her toward change.

### Gives more of a holistic view-

Since the 720-Degree Performance Appraisal is directed by more than one individual, it gives an inside and out perspective of a employee's execution, as opposed to depending on the assessment, or investigation, of only one individual. Thus, the method turns into a procedure that is

more intelligent of the employee's general execution, as opposed to in light of a solitary measurement of criticism. Also, the multi-rater nature of the 720-Degree Performance Appraisal can appraise both employee and supervisor of something about the employee they both might have missed.

**Saves managers time-and stress-**

Since more individuals are included all the while, this strategy spares a manager's time that he/she may some way or another have devoted toward a standard execution examination. It likewise spares the manager some stress. It can be a troublesome thing to "assess" a employee, particularly if just a single side of the representative is seen. The multi-rater strategy takes a lot of that obligation off the manager's shoulders. Rather, the manager is the course between the appraisers and the representative. Once the input has been perused and assessed, the manager can then spend his/her time helping the representative create objectives and destinations for development.

**Emphasize teamwork-**

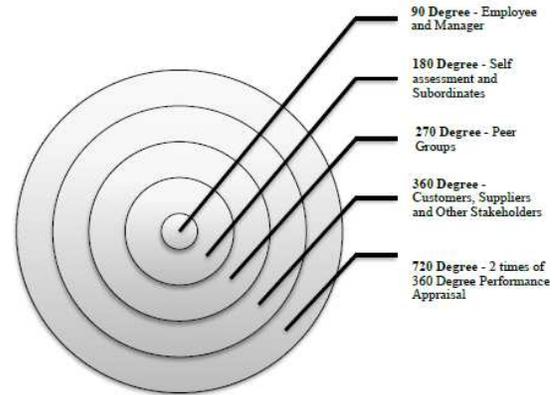
This specific sort of execution evaluation makes considered an "all round" examination, the 720-Degree Performance Appraisal gives a employee more than feedback from one individual. This evaluation gives the representative a great deal of input, by and large from somewhere in the range of five to eight individuals, to furnish the employee with an inside and out appraisal of his or her at work execution.

The 720-Degree Performance Appraisal is similar to the 360-Degree Performance Appraisal. The difference is that the higher level also includes feedback from the customer.

- A. For a 90-Degree appraisal information is gathered from just the initiative group of the unit being evaluated. This technique is fast yet frequently beguiling, as the leaders self-reports might be one-sided.
- B. For a 360-Degree appraisal, information is gathered from various sources inside the organization. Distinctive gatherings may recount altogether different stories, and can give bits of knowledge that may otherwise be missed.
- C. For a 720-Degree appraisal, data is gathered not just from inside the organization be that as it may, from outside gatherings. Outside assessors may incorporate financial specialists, clients, or providers. These gatherings are vital in light of the fact that it is in their eyes that the association's intangible value matters most.

**3. The Development**

Employee performance appraisals currently universally conducted, considering to be the foremost vital channel, to supply feedback to staff on their past performance. Precisely, the appraisals are the significant opportunities for managers when they can discuss the strengths and weaknesses of their team members and guide them to develop extraordinary skills to excel professionally. Since ages, we've seen ancient performance reviews happening in organizations wherever the manager and also the Human Resource take charge over the complete appraisal method.



**Fig 2: The Evolution of 720 Degree Performance Appraisal System**

However with the dynamical time and technology, the approach to conduct annual performance evaluations have altered dramatically, giving a wider scope to in cooperate different participants within the method. Following points shows some vital information on totally different worker performance appraisal ways and how advanced Human Resource tools will create the complete method easier and quicker.

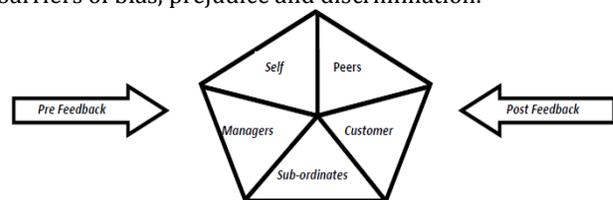
**3.1 The Need**

The main purpose of 720-degree performance appraisal will be summarized as follows:

- It provides performance rank information. There is a assistance in taking decisions about salary fixation, confirmation, promotion, transfer and demotion.
- Provide timely feedback of worker's performance, set targets and monitor the performance.
- It helps in checking that how effectively the performance of employee will affect.
- It is needed to ensure that workers reach company standards and objectives.
- To find the work strength and to understand the areas where training is required to guide the workers to perform their best.
- To analyze and observe the expectations of the workers and prevent grievances and in disciplinary activities.
- Provide information to observe the deficiency in the employee regarding skill, knowledge; determine training for the future growth.
- 360 degree assessment and twice in a year.
- Assessment tabulation and performance check.
- Treat employees with sensitivity and respect.

**4. The Dimensions**

All these IT organizations aim at achieving higher rate of worker satisfaction and transparency within the operating atmosphere. In order to realize the goals, 720 degree performance appraisal would be a significant tool because it is employed to appraise the performance of a worker from completely different dimensions and helps to overcome the barriers of bias, prejudice and discrimination.



**Fig 3: 720 degree dimension terminology**

The performance is appraised from five dimensions and feedback or the appraisal meeting is conducted double (pre and post feedback) to make sure the economical performance of a worker. Including the pre and therefore the post feedback, that plays a significant role, this system has seven phases.

**A. PRE APPRAISAL FEEDBACK:**

This is the primary appraisal step which is done after the feedback is collected from the various dimensions or folks with whom the worker would interact.

**B. SELF APPRAISAL:**

The employee is given a form and asked to gauge his performance and through this methodology, he gets a chance to precise his thoughts and his valuation of strengths, weakness and judges his performance.

**C. PEERS/COLLEAGUES APPRAISAL:**

The feedback from the peers is very important as it helps to analyze the ability of the worker to work as a team or co-operate or to co-ordinate with others and bring out the best of it.

**D. CUSTOMER APPRAISAL:**

In order to sustain in the present competitive world, organizations focuses at achieving high customer satisfaction. Customer feedback helps to observe the customer point of view and help to improve the person and the Organization.

**E. SUB-ORDINATES APPRAISAL:**

The feedback of the sub-ordinates is necessary to observe the organizing skills of the worker and to understand his abilities like communication and motivating abilities, ability to delegate the work, leadership qualities and way of handling responsibilities.

**F. MANAGERS/SUPERIORS APPRAISAL:**

In this case, the performance, responsibilities and the attitude of the worker is evaluated by the Superiors or Managers of the organization.

**G. POST APPRAISAL FEEDBACK:**

In this step, the performance is calculated based on the target set in the Pre appraisal and feedback is given. Timely feedback and guidance helps to make the worker improve his performance.

**5. Benefits of 720-Degree Performance Appraisal**

720 Degree execution appraisal will help in making a synergetic workplace and will draw out the best of every representative. Alternate advantages of the 720 Degree execution appraisal are as per the following:

- A. It helps in better examination and enhanced input from various measurements
- B. Builds up a superior and co-operative team
- C. Diminishes the appraisal boundaries like partiality, bias and discrimination
- D. Client feedback is esteemed to improve client administration and fulfillment can be acquired
- E. Encourages transparency and feeling of being treated justly.

**6. Effects of 720 Degree Review**

- A. Performance goals are aligned with customer's true expectations.
- B. Client's inside evaluators, merchants and official being assessed are coached on the reason, prepare and required results before starting. For a 720 Degree assessment, collect information not only from inside the company but from outside groups. External assessors might include investors, customers or suppliers.

**7. Importance of 720 Degree Performance Appraisal**

- A. 720 Degree evaluation framework gives other options to the conventional examination framework.
- B. It is valuable in learning associations.
- C. It includes the utilization of more than one evaluator, which in turns imply that the diverse components of the appraisal system, which depends on a unitary arrangement of assessment.
- D. The 720 Degree examination system is more dependable, engaged and predictable.
- E. They are equipped for reassessment which is the opposite of what occurs with the conventional framework.
- F. The 720 Degree guarantees confidentiality, unlike the traditional appraisal system.

**8. Advantages of 720 Degree Performance Appraisal**

- A. Enhanced feedback from more sources.
- B. Team improvement.
- C. Personal and hierarchical execution advancement.
- D. Training needs evaluation.
- E. Improve client administrations.

**9. Disadvantages of 720 Degree performance appraisal**

- A. A substantial number of the appraisers consider that 720 Degree performance appraisal method is a tedious procedure.
- B. Appraisers consider that the fiscal prerequisite is higher for 720 Degree performance appraisal method as examination/feedback must be done twice.
- C. Appraisers consider that there may be quality issue as all the 7 measurements of evaluation in 720 Degree execution examination technique might not be accurate.
- D. Failure to associate the procedure.
- E. Focus on negative and weakness.

**10. Conclusion**

This system is additional development targeted than performance alone, and supplements development functions in a very higher means. A powerful tool as a result of once conducted at regular intervals it helps to stay a track of the changes, others' perceptions concerning the staff. Many organizations are getting down understanding that the ability base of their executives and managers doesn't match the necessities of a rapidly changing environment. Without these critical competencies, executives and managers are less likely to be able to lead these organizations toward successful implementation of strategic changes.

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