

‘720 Degree Performance Appraisals’: An Emerging Technique

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Abstract- Performance Appraisal plays a vital role in any organization human resource framework. Performance Appraisal is an important tool in the hands of personnel management because this technique accomplishes the main objective of the organization to the development of the people by appraising the worth of the individual. There are different method of Performance Appraisal based on the type of the organization, size of the organization and also the period when it is used. 720 Degree Performance Appraisal, considered an “all-round” appraisal, is one of the most recently introduced concepts. As the name suggest, 720 Degree is 360 Degree twice. 720 Degree Performance Appraisal is the evaluation of an employee from all the aspects and giving timely feedback to ensure that the person is able to achieve the set goals before the next appraisal. Many Management experts feel that doing a comprehensive 360 Degree Appraisal is not complete in itself. They feel that an effective procedure to measure improvements and receive feedback is essential for the success of any appraisal. The 720 Degree evaluation is emerging as a possible alternative appraisal technique. Organizations are slowly but steadily realizing the need 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. Here, an attempt is made to highlight the need and significance of 720 Degree Performance appraisal in the modern business world and also differentiate this new emerging technique from the 360 Degree Performance.

Index Terms- Evaluation, Performance Appraisal, Personnel Management, 360 Degree Appraisal, 720 Degree Performance appraisals.

1. INTRODUCTION

720 degree performance appraisal”, is the latest appraisal method that has been introduced in New

Economy companies. Accurately and objectively measuring the performance of an employee is the most difficult part of the Performance appraisal process. Different methods are used for Performance appraisal that includes: Critical incident method, 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 and the targets are set and he second where the feedback is given and the boss gives tips to achieve the goals. Hence, there is a pre and a post round of feedback.

720 Degree: 360 degree appraisal method is practiced twice. When 360 degree appraisal is done, then the performance of the employee is evaluated and having a good feedback mechanism, the boss sits down with the employee again a second time and gives him feedback and tips on achieving the set targets.

2. MEANING

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.

3. OBJECTIVES

1. To examine the comparative significance of the 720 degree performance appraisal with 360 degree performance appraisal system.
2. To pinpoint the pitfalls of 360 degree appraisal and to highlight the need and significance of 720 degree performance appraisal in the modern business world

4. DIMENSIONS OF 720 DEGREE PERFORMANCE APPRAISAL

The performance is appraised from 5 dimensions and feedback or the appraisal meeting is conducted twice (pre and post feedback) to ensure the efficient performance of the employee. Including the pre and the post feedback, that plays a vital role, the 720 Degree performance appraisal has 7 phases.

- a) Pre Appraisal Feedback: This is the first appraisal step that is done after the feedback is collected from the different dimensions or people with whom the employee would interact. In this step, the performance is evaluated, targets are set and feedback or training is organized to help the employee achieve the target.
- b) Self-Appraisal: The employee is given a questionnaire and asked to evaluate his performance and through this method, the employee gets an opportunity to express his thoughts and his valuation of strengths, weakness and judge his performance.
- c) Peers/Colleagues Appraisal: The feedback from the peers or colleagues is important as it helps to understand the ability of the employee to work as a team, co-operate, coordinate with others and bring out the best.
- d) Customer Appraisal: In order to survive in the current competitive market, Organizations aim at achieving high customer satisfaction. Customer feedback helps to analyze 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 essential to analyze the organizing skills of the employee 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, the performance, responsibilities and the attitude of the employee is evaluated by the Superiors or Managers.

g) Post Appraisal Feedback: It is this step that makes the 720-degree performance appraisal different and better than the 360-degree performance appraisal method. In this step, the performance is evaluated based on the target set in the Pre appraisal and feedback is given. Timely feedback and guidance helps to make the employee improve his performance.

5. COMPERATIVE STUDY OF 360 DEGREE APPRAISAL SYSTEM AND 720 DEGREE APPRAISAL SYSTEM

Although 360 Degree appraisal system and the 720 Degree appraisal system are capable of re-assessment and both involve the use of more than one evaluator, which in turns means that the different components of the appraisal system are handled by different people unlike the traditional appraisal system, which is based on a unitary system of evaluation, there are some differences between 360 Degree appraisal system and the 720 Degree appraisal system.

1. The 720 Degree appraisal system is a kind of double check for the 360 Degree appraisal system
2. 360 Degree appraisal system means superior, subordinate, customer and peers and in 720 Degree appraisal system, they will be rechecking with the same persons who have given feedback and ask them twice.
3. The 720 Degree appraisal system is more focused on the customer's feedback on specific position in the organization such as directors, managers and other higher or mid-level managers and is therefore reliant on the Voice of the external customers while the 360 Degree appraisal system is focused on the internal customer's feedback on employee performance.
4. The 720 Degree appraisal system is more focused on Management/ Higher level
5. staffs while the 360 Degree appraisal system is general.
6. 360 Degree appraisal system is done by superiors, peers, subordinates and internal customers of a firm whereas 720 Degree appraisal system consists of appraisal by all the

persons consists of top management, superiors, peers, subordinates, internal clients and auditors, external suppliers, customers and all stakeholders of the firm.

7. The 360 Degree has a Single evaluation cycle while the 720 Degree has dual evaluation cycles.
8. The 360 Degree appraisal facilitates the formal assessment of an employee by the evaluators like the customer or the employee, possibly with the help of appraisal forms. But the 720 Degree appraisal goes one step further and insists on a better focused, personalized and in depth review of the employees occupying managerial positions. The evaluation of the employee is usually done through detailed personal interviews with the performance evaluators.

6. CADBURY INTRODUCES '720-DEGREE' FEEDBACK

- Tim Smedley

Delegates at yesterday's HRD conference could be forgiven for feeling a little dizzy after a presentation by Cadbury. Not content with 360-degree feedback for her new leadership development programme, Sarah Smith, head of the L&D centre of excellence for Cadbury UK&I, went a step further – "720-degree" feedback includes input from a leader's family and friends, as well as business colleagues and direct reports. "The 720-degree approach gives people a very different view of themselves as leaders and individuals," Smith explained. It proved an integral part of Cadbury's transformational leadership programme, which also saw leaders become involved in long-term charity projects. Lee Sears, director of leadership Consultancy Bridge, who helped design the programme, referred to the 720-degree process as "the biggest catalyst in the whole process" for some participants. "A lot of people have aspects of their leadership capability outside of work that they just don't realise," said Sears. Despite being an entirely anonymous process, Smith quipped: "It was quite obvious which sections my husband and grandmother had filled in!" Cadbury expects 155 of its international leaders to have gone through the programme by the middle of this year.

7. TATA CONSULTANCY SERVICES

Customers today expect more—personalized, relevant services and products delivered consistently across all touch points at the lowest possible price. To respond effectively and provide customer centric retail experiences, retailers need a 720 degree view of each customer based on deep analytics that provide a comprehensive understanding of each customer's needs, behavior, buying patterns, and level of influence. With this 720 degree view, retailers can predict future behaviors, quickly act on these insights, and deliver relevant offers and experiences. A successful digital transformation strategy can help retailers leverage social media, mobile commerce, emerging technologies, analytics, and cloud-based services to build lifelong customer relationships, grow their businesses and cut costs, or be left behind by competitors that do.

Social media: helps retailers engage more deeply and effectively with customers. Social media provides powerful insights into what customers want for the development of new, relevant products, services and marketing campaigns. Retailers can monitor feedback and provide real-time customer service. In addition, new social ecommerce opportunities such as Twitter 'buy' buttons also allow customers to purchase products via Tweets.

Mobile Commerce: accounts for a significant percent of retail sales, enabling retailers to provide improved multi-channel shopping experiences that generate maximum ROI and loyalty. With a 720 degree view of each customer, retailers can offer customers the flexibility and personalized experiences they expect. Mobile apps for secure payment options, push notifications to let customers know of relevant special offers, beacons utilized for in-store purposes i.e. geo location, targeted messaging and shopper analytics are just a few ways mobile commerce can help retailers deliver differentiated shopping experiences.

Customer Analytics: provide retailers with deeper insights on preferences that can impact all areas of product management, allowing more informed decisions on pricing, marketing,

Inventory and supply chain management (SCM), and other areas. Analytics help retailers study transactions, footfalls, waiting times, personalized

services, and website performance. It also helps determine how to best segment their most valuable customers.

Cloud-based solutions: ensures the availability of real-time data across channels to enable informed decision-making throughout the retail enterprise—from the C-Suite to the sales associates on the front line. Real time analytics help bridge the gap between digital and physical retail environments and allow management teams to spot sales trends as transactions occur. The management can immediately identify and respond to traffic patterns in real time and view conversion rates at the product level.

Forward-thinking retailers will leverage social media, mobile commerce, customer analytics and cloud-based solutions to deliver customer centric experiences that build sustainable competitive advantage

8. THE NEED OF 720 DEGREE PERFORMANCE APPRAISALS IN THE MODERN BUSINESS WORLD

The main need of 720 degree performance appraisal is the improvement of the performance of the people in their jobs and to ensure that the expectations of the employer, employee and the customers are met. The main need of 720-degree performance appraisal can be summarized as follows:

1. 720-degree performance appraisal method is more development focused than performance alone, and supplements training and development functions in a better way.
2. Provide information about the performance ranks. Assist in taking decisions regarding salary fixation, confirmation, promotion, transfer and demotion.
3. Provide timely feedback about the performance, set targets and monitor the performance based on the targets set.
4. Helps to check the effectiveness of personnel procedures and practice i.e. validation.
5. It is needed to ensure that employees reach organizational standards and objectives.
6. To discover the work potential and to understand the areas where training is required to guide the employees to perform their best.

7. To understand the expectations of the employees and prevent grievances and in disciplinary activities.
8. Provide information to diagnose deficiency in the employee regarding skill, knowledge, determine training, and prescribe the means for employee growth and information for correcting placement.
9. Set realistic target, monitor the performance and provide timely feedback to ensure that the performance is enhance.

9. BARRIERS TO 720 DEGREE PERFORMANCE APPRAISALS

Though this method evaluates the performance of employees systematically, it takes great deal of time to introduce and implement evaluation process. Most of the organization avoids using this approach for its limitations of time. Management should also create awareness among the managers, supervisions and employees for the successful implementation of this method. Diseconomy In this approach, appraisal is to be done twice for the employees; it requires adequate monetary commitment on the part of the organization. It may not be suitable to all small and medium scale organization to have implementation of this approach due to financial limitations. Rather such organization prefers to use other appraisal method which doesn't take investment of more funds. All in all, we may say that one of the limitations of this approach is to have an element of diseconomy. Inaccuracy there are likely chances that evaluation may not be accurate as there are many individuals and group of people who evaluate the performance of employees. Moreover there could be difference of opinion with regard to performance due to bias, prejudice and discrimination. Insufficient Information This method may not generate productive result in the light of available information provided by the different people who are to evaluate the performance of employees. To put it differently, there may not be sufficient, reliable and timely information to be provided by the appraisers. Resultantly, it may mar the whole process of 720 Degree Performance Evaluation. Despite all research, there is still widespread displeasure with performance appraisal systems, most notably in the United States and the United Kingdom. Notwithstanding decades of trial

and error, overall “the outcome has been disappointing; a small incremental increase in what we know with respect to the performance appraisal process.” Even internal and external HR consultants may be dubious about the usefulness of performance appraisal systems and often find themselves.

10. MERITS OF 720 DEGREE PERFORMANCE APPRAISAL

720 Degree performance appraisal will help in creating a synergetic work environment and will help to bring out the best of each employee. The other benefits of the 720 degree performance appraisal are as follows:

1. It helps in better analysis and improved feedback from different dimensions
2. Helps to develop a better and co-operative team
3. Reduces the appraisal barriers like prejudice, bias and discrimination
4. Customer feedback is valued. Better customer service and satisfaction can be obtained
5. Encourages transparency and feeling of treated just

11. CONCLUSION

Many management experts feel that doing a comprehensive 360 Degree Appraisal is not complete in itself. They feel that an effective procedure to measure improvements and receive feedback is essential for the success of any appraisal. The 720 Degree evaluation is emerging as a possible alternative appraisal technique. Organizations are slowly but steadily realizing the need 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.

720 Degree appraisal system is more development focused than performance alone, and supplements training and development functions in a better way. A powerful developmental tool because when conducted at regular intervals it helps to keep a track of the changes, others’ perceptions about the employees. Many organizations are beginning to realize that the skill base of their executives and managers does not match the requirements 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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