

360° Performance Evaluations
An Assessment of the attitudes of Human Resource directors in the
state of Texas

By

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Abstract

Performance evaluations are an integral part of most Human Resource systems. For this reason, performance evaluation systems command an inordinate amount of research attention. This study assesses attitudes of Human Resource directors in Texas state agencies with regard to key aspects of the 360° performance evaluation process. First, an examination of literature identifies recurring themes, issues and characteristics associated with the implementation and use of 360° systems including organizational culture, anonymity, utilization, accountability, resources, training and rater variance. To assess attitudes regarding key characteristics of the 360° evaluation process, data were collected from Human Resource directors in Texas state agencies via survey questionnaires.

Next, the study reports attitudinal findings from the survey with regard to key characteristics derived from the literature review. Results indicate that Human Resource directors generally agree with the information pertaining to the conceptual categories revealed through the literature review. The findings indicate, for example, that organizational culture is a strong predictor of the success or failure of the implementation of 360° feedback systems. There is also support for the incorporation of accountability mechanisms, training and resources. Interestingly, it is found that utilization of feedback data for purely developmental purposes does not necessarily preclude sharing data with supervisors even though the data will be included in performance appraisals. This is important because experts in the field argue that feedback ceases to remain purely developmental when it is shared with supervisors and included in the performance appraisal process.

Finally, recommendations for future research are identified. One suggestion is to study organizations actually utilizing the **360°** performance evaluation process. As agencies could potentially employ some, but not all, elements of **360**, future research may focus on elements or portions of the process state agencies use. Subsequent studies may also include a population representative of all state agencies and may compare and contrast **360°** systems in public and private sectors.

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Chapter 1

Introduction

The work environment is changing. In an era where the nature of work is evolving into team-based approaches and where more work is completed away from traditional supervisory control, supervisors may not have all the information needed to provide complete, accurate feedback making conventional employee assessments less meaningful. Traditional performance evaluation systems often require supervisors and subordinates to develop a work plan at the beginning of a performance cycle. The supervisor subsequently provides feedback during annual or semi-annual reviews based solely on his or her assessment of subordinates. As a result, hierarchical performance evaluation systems ignore assessments from the full circle of people who are knowledgeable about employees' performance.

An alternative to traditional, supervisory-controlled performance evaluation systems is three hundred sixty degree feedback, which assesses employee performance from several points of view: self, peers, superiors, subordinates and customers. The basic process consists of performance rated by people in an employee's entire circle of influence, ratings fed back to the employee and compared to self-assessment and developmental goals set in connection with a plan for achieving the goals. The logic of 360° feedback systems, in part, is that people at various levels within an organization may have the most accurate information on different aspects of an employee's performance. For example, subordinates may be the best sources of information on delegation and leadership skills while peers may have the best information on interpersonal skills and technical capability. Three

hundred sixty degree performance evaluation systems attempt to incorporate the most accurate information from those who have actually observed each dimension of an employee's performance creating an increased perception of fairness and credibility in the assessment process.

By expanding the information available, multirater systems potentially improve the quality of information utilized during performance appraisals. As a result, the use of 360-degree feedback has increased dramatically in recent years. This study reflects a desire to ascertain the attitudes of Human Resource directors in the public sector about the 360° feedback process.

Research Purpose

The utilization of TQM and team-based work structures changed the nature of work in that employees began interacting and working with co-workers outside of conventional work groups and away from traditional supervisory control. As a result, traditional performance evaluation systems, created for work controlled by supervisors, often ignore a large portion of an employee's performance. Three hundred sixty-degree performance evaluation systems have the potential to provide performance data on virtually every aspect of an employee's performance by including data from people within an employee's entire circle of influence. Including data from all of an employee's constituents improves the amount and quality of performance data. The impetus of **this** study was created, in part, by the increasing popularity and use of multirater systems.

The purpose of this study is to identify and describe the attitudes of Texas state Human Resource directors about key aspects of the 360° performance evaluation process. The purpose is achieved through:

1. A review of the literature to identify relevant attitudes and conceptual categories
2. A survey of Texas State Human Resource directors.

Chapter Summaries

This study is divided into six chapters, a bibliography and related appendices. Chapter One, which introduces the subject matter, contains the research purpose and a summary of chapters. Chapter Two provides a literature review with rationales and key characteristics of the 360° performance evaluation process. Included in Chapter Three, is a description of the 360° process in Texas state agencies and an interview with Dr. Kay Betz, Director of Employee Learning and Organizational Development at the University of Texas at Austin. An explanation of the research methodology, an assessment of surveys as a method for performing this research and a description of the research population are presented in Chapter Four. Chapter Five contains survey results and an analysis of survey data. Chapter Six is comprised of recommendations for future research and conclusions gathered through the literature review and survey research. The Appendices contain the original transcript of the interview with Dr. Betz, an organizational climate survey and the survey instrument.

Chapter Two

Literature Review

Introduction

The purpose of this chapter is to describe the implementation and utilization of three hundred sixty-degree (360°) feedback systems¹. The chapter begins by defining 360° systems and considering various rationales and applications of the 360-degree performance evaluation process. Next, seven conceptual categories of 360° systems are considered including organizational culture, anonymity, utilization, accountability, resources, training and rater variance. The chapter concludes with the development of a conceptual framework, which provides the organizing tool for the empirical component of this study.

Three hundred sixty-degree performance evaluation systems are comprised of behavioral observations collected from many organizational layers that take into account evaluations from multiple raters in multiple levels of the organization (Mount et al., 1998). For example, people in an individual's circle of influence provide feedback about job performance including information coming downward from superiors, upward from subordinates, laterally from peers and co-workers, and inward from the individual (Edwards and Ewen, 1996, p. 46, Waldman et al., 1998). (See Figure 1.1). The logic behind multirater systems is to collect information from those with the best knowledge of an individual's performance and from those who

¹ For the purposes of this paper, 360-degree feedback, 360-degree systems, multirater systems, 360 systems and 360-feedback programs are synonymous with 360-degree performance evaluations.

have had the best opportunity to observe work behaviors, which provides a more accurate perspective of how others view performance such as management practices, interpersonal style and effectiveness (Edwards and Ewen, 1996, p. 19; Wimer and Nowack, 1998). In short, the basic idea of 360 is to gather input on employees' performance from the full circle of people with whom they frequently interact and who are knowledgeable about their performance (Edwards and Ewen, 1996, p. 19 and pp. 40-45).

Three hundred sixty-degree performance evaluations are characterized as non-traditional performance management systems. Traditional performance evaluation systems focus on supervisory input, **data** collection and control of the performance evaluation process. Multirater systems are considered an alternative to traditional performance management systems because they focus on performance input from sources other than the supervisor. Edwards and Ewen and Antonioni maintain that performance information collected from multiple perspectives is more "honest, reliable, valid and credible" than information obtained through traditional performance evaluation systems (Edwards and Ewen, 1996, p. 4; Antonioni, 1996).

It is interesting to note that 360° evaluations incorporate the research norm of triangulation. A performance evaluation is analogous to a research project with a particular working hypothesis. For example, a particular employee's performance may be satisfactory, less than satisfactory or exceptional. The 360° evaluation process provides a system to collect multiple types of evidence to support any given hypothesis. Although a hypothesis cannot be proved, multiple types of evidence increase the confidence that the evidence (if consistent) is accurate.

Rationale

By increasing sources and types of data included in appraisals, 360 systems attempt to improve organizational performance by expanding the information available (Jackson and Greller, 1998). Because employees work with a wide range of people, managers alone cannot accurately observe and assess all dimensions of an employee's performance (Prewitt, 1999). Therefore, multirater systems provide unique perspectives on job performance and offer insight into behaviors that supervisors may otherwise **miss**, such as interactions with peers and performance on teams (Edwards and Ewen; Pollack and Pollack, 1996). Edward and Ewen argue that evaluations from a number of sources (versus traditional top-down evaluations) provide a more balanced and comprehensive view of an employee's performance. The literature suggests that multirater systems are more reliable, credible and predictably valid than single-rater systems. In addition, assessments conducted by multiple co-workers are usually more dependable and objective than information gained from a single person (Edwards and Ewen, 1996, p. 19).

Multirater systems integrate input from various constituencies in the assessment of an employee's performance. While single-source assessments reinforce an employee's accountability to the supervisor, multirater systems **link** accountability to **all** stakeholders and help employees understand critical work-related constituencies other than the supervisor (Edwards and Ewen, 1996; Tornow et al., 1998, pp. 89-91). By comparing multirater feedback to self-evaluation, individuals obtain a more realistic picture of their strengths and weaknesses (Tornow, et al., 1998; Pollack and Pollack, 1996). When employees compare self, subordinate and peer ratings, they are more likely to become aware of specific areas in need of improvement. Also,

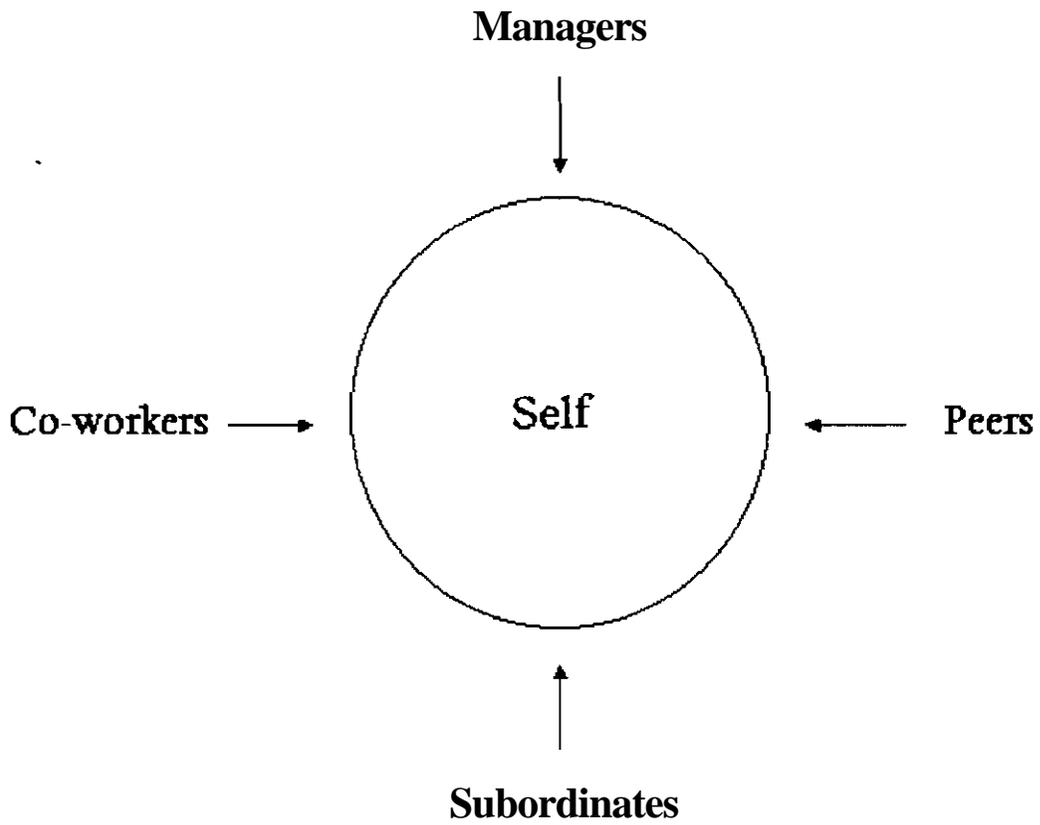
hearing the same message from several sources serves as a strong impetus for change (Jackson and Greller, 1998).

The 360° process can increase employees' perceptions of fairness and credibility in the evaluation process. Edwards and Ewen point out that as performance measures potentially impact an employee's career in terms of selection, salary, training and development, organizations should employ the most fair and accurate method available. Perceived fairness is one of the key attributes of 360° performance evaluation systems (Edwards and Ewen, 196, p. 195).

Also, multirater systems can reduce discrimination and bias (Hoflinan, 1995). Single source systems are often biased against older employees, women and people of color. Performance evaluations from single raters often result in lower scores for these groups because most supervisors are white males (Edwards and Ewen, 196, p. 195). Multirater systems, in contrast, can moderate adverse discrimination because the diversity of raters should reduce the likelihood of discrimination (Edwards and Ewen, 1996). For this reason, 360 systems promote diversity management?.

† Diversity management attempts to open organizational systems to all employees by building employee-specific skills and creating appropriate **policies**. Behaviors and **policies**, evaluated by their contribution to organizational goals and objectives, are tied to rewards and results. Diversity management could lead to increased productivity because it assumes that diverse groups will create new ways to work together effectively.

Figure 1.1
Information sources for 360°
Performance Evaluations



Support for Organizational Effectiveness

Improving each employee's performance potentially increases overall organizational effectiveness. Three hundred sixty-degree evaluation systems link organizational strategies, goals, core values and expectations to individual behavior and performance. According to goal setting theory, goals provide employees with information pertaining to tasks and the amount of effort required to ensure completion. Specific goals increase performance. Furthermore, difficult goals combined with feedback result in higher performance than goals which are easily attainable. Three hundred sixty degree evaluations are consistent with goal setting theory because employees understand that performance in the areas measured through feedback is important and valued.

A study by Reilly et al. found that exposure to valued behaviors (e.g. encourages and facilitates teamwork and collaboration) is as important as receiving feedback. The authors discovered that simply receiving performance feedback not tied to behaviors valued by the organization made very little difference in performance improvement over time. On the other hand, exposure to valued behaviors created the impetus for change. In short, awareness of valued behaviors and knowledge that measurement would occur again resulted in setting specific behavioral goals after exposure to critical values (Reilly et al., 1996).

Aspects of performance used to rate an individual during a 360° evaluation often inculcate behaviors important to the organization (Tornow, et al., 1998, p. 90). The 360° system is an effective way to promulgate organizational standards and expectations. Identifying and using core values and expected behaviors as ratings

communicates the importance of performance dimensions to both raters and feedback recipients and, in theory, also focuses attention on similar performance standards (Edwards and Ewen, 1996, p. 13). For example, utilizing behavioral statements supports core values through specific definitions, which allows the operationalization of the organization's expectations and values (Tornow et al., 1998, p. 80). Behavioral statements allow raters to evaluate how well ratees adhere to values and model desired behaviors (Edwards and Ewen, pg. 80). At its best, 360 systems translate desired core values into behavioral dimensions by creating categories of performance with specific illustrative behaviors delineated on the evaluation instrument. Subsequently, individuals receive feedback on 360 dimensions that, in turn, reinforce organizational values (Tornow et al., 1998, p. 14). For example, a manager can rate a peer with items related to leadership such as providing direction, influencing others, fostering teamwork and motivating others. By evaluating peers on these specific dimensions, the manager will perceive that the organization is serious about leadership. Also, when managers receive feedback on specific leadership dimensions, they recognize that these are behaviors the organization values.

In addition to reinforcing organizational values, developmental needs are revealed via 360-degree feedback. Individual developmental needs are easily assessed through feedback provided by peers, subordinates and superiors (Hoffman, 1995). Aggregating data across individuals creates an organizational needs assessment. Organization-wide aggregated data brings trends and behavioral patterns to light, which provides insight and guidance into developmental needs at the organization or systemic level (Tornow et al., 1998, p. 89-93).

Key Characteristics Associated with 360° performance evaluation systems

Three hundred sixty-degree evaluation systems offer the potential for substantial benefits, including improved evaluation systems in terms of quality, amount of information available and increased perceptions of fairness in the evaluation process. The literature suggests that the characteristics of the organization and its environment influence the effectiveness of a 360° system. Further, an effective 360° system requires attention to various facets of the implementation and assessment processes. The next section discusses factors identified in the literature such as organizational culture, anonymity, utilization, accountability, resources, training and rater variance, that create and support 360° performance evaluation systems.

Organizational culture

Organizational culture is a strong predictor of the success or failure of multirater processes. Regardless of the potential benefits made possible by the 360° process, multirating is not always appropriate (Bookman, 1999). The 360° process requires honest feedback from all raters. Consequently, organizational cultures promoting honesty, open communication and trust are more likely to successfully implement a 360° process and realize the associated benefits (Tornow et al., 1998 p. 96). Conversely, organizations with a history of distrust, poor communication and fear may find 360-degree feedback difficult to use (Tornow et al., 1998, p. 99, Prewitt, 1999). Hayworth maintains that a "safe" environment is required for 360° performance evaluation systems to be effective (1998). In fact, "[o]rganization readiness is critical to assess before engaging in any 360-degree

feedback processes" (Tornow et al., 1998, p. 143). Certain values and skills within the organization facilitate the success of the 360° method and include,

freedom to speak openly without fear of punishment or coercion, the ability to listen to others, respect their ways or understanding, and work to understand their perspectives, willingness to reflect on and challenge one's own thinking and actions and equality of ideas – that is, no individual's ideas are more correct than anyone else's simply because of the individual's position or status (Tornow et al., 1998, p. 125-126).

Surveys gauging organizational climate and culture are available to assess an organization's readiness for the 360° process. (For an example of an organizational climate questionnaire, see Appendix A- 1).

Anonymity

The rater's sense that anonymity would be respected seems to rest upon an honest organizational culture. Traditional top-down evaluations have not been anonymous. Supervisors are often encouraged to have face-to-face meetings to discuss an employee's performance. This structure fits traditional systems because the supervisor or manager is providing feedback to subordinates. Moreover, traditional evaluation systems do not solicit subordinates' assessments of supervisors' performance.

Three hundred sixty-degree systems change the role of supervisors and subordinates in the evaluation process and, as a result, create concerns about anonymity, which are particularly high among employees who evaluate their supervisors. Thus, successful 360 systems depend on guarantees of anonymity for key participants in the process. Assuring anonymity allows participants to feel safe

in providing honest feedback. Accordingly, 360 systems must guarantee absolute anonymity to respondents (Wimer and Nowack, 1998). The goal of anonymity is achieved if the individual receiving performance feedback information cannot determine the identity of those who provided the information (Edwards and Ewen, 1996, p. 60).

The absence of anonymity distorts feedback scores employees provide. Antonioni found that appraisers who remained anonymous gave lower ratings than those who could be identified due to concerns over managers' reactions to the evaluations (Antonioni, 1996). Anonymous feedback lessens employees' fears of retribution from peers and superiors for low ratings (Westerman and Rosse, 1997). Antonioni also found that employees want their identity withheld and want to volunteer to rate managers (Antonioni, 1996).

Anonymity allows raters the choice between participation and non-participation. Rater participation may be negatively affected if employees perceive that the rater can determine the identity of rater. Low rater participation impacts the reliability, validity and user acceptance of ratings and limits the effectiveness of the system (Westerman and Rosse, 1997). Thus, the very credibility of the process rests on protecting the identity of those providing feedback (Edwards and Ewen, 1996). Experts in the field recommend that ratings remain anonymous. In fact, "360 systems must guarantee absolute anonymity to respondents... 360 only works when anonymity is assured (Edwards and Ewen, 1996, p. 157-158).

Antonioni suggests that organizations take steps to safeguard the identity of raters, thereby alleviating concerns of retaliation, by providing data in an aggregated format and by including feedback from five or more direct contributors (Antonioni,

1996; Pollack and Pollack, 1996). In the absence of five direct contributors, the combination of three direct contributors and three peers may be utilized to preserve anonymity (Antonioni, 1996).

Utilization: Development versus Performance

Traditional performance evaluation systems typically focus on performance. Even systems that contain developmental goals often base evaluations on performance dimensions of the job. Exceptions occur when a supervisor requires an employee to attend sexual harassment prevention or diversity training. Yet courses requiring the participation of all employees in an organization are not typically targeted to individual development.

On the other hand, behavioral statements tied to organizational expectations in many 360° systems allow employees to be evaluated for purely developmental purposes, but also allow evaluation on performance dimensions which are used to make administrative decisions, such as pay and promotion. When 360° feedback data is purely developmental, the employee neither receives nor suffers any employment decision as a result of the evaluations. The feedback data only informs the employee of areas in need of improvement. On the other hand, data used to evaluate performance potentially impacts salary, promotions, job assignments and other monetary incentives. The use of 360-degree feedback, either for performance, development or both, is a highly debated topic and is impacted by two factors: those who control feedback data and the nature and role of those who have access to feedback reports.

Developmental Feedback

Developmental feedback raises awareness about areas in need of improvement because it is derived from credible sources with the power to motivate change. According to Edwards and Ewen, developmental feedback "facilitates the employee's growth on the job" (1996). In pure developmental systems, employees control access to their feedback. Supervisors do not see developmental feedback unless the employee shares the results with them (Edwards and Ewen, 1996, p. 46-47). Hence, feedback ratings are not included in performance appraisals (Atwater and Waldman, 1998). Pollack and Pollack found that managers were more accepting of feedback from subordinates and peers when ratings were used solely for development (1996). Moreover, recipients of feedback may be less defensive and more apt to regard feedback as credible if the information is utilized solely for developmental purposes. Therefore, developmental systems have greater potential to elicit honest feedback because administrative decisions surrounding pay, promotion, selection and training are not at risk (Edwards and Ewen, 1996, p. 47).

Feedback for Performance

Feedback used for performance is similar to feedback used for development except that the employee's ratings are shared with the supervisor who uses the information when making judgments about performance (Edwards and Ewen, p. 50). If the feedback is shared with the supervisor, the feedback becomes performance information. Although many development advocates recommend sharing feedback information with supervisors, Edwards and Ewen maintain that "supervisors cannot

use the information for development and then ignore that information during performance appraisals" (1996, p. 12). Hence, the requirement to share feedback with superiors has great potential to influence appraisals (Atwater and Waldman, 1998).

Feedback used only for development may not prompt employees to set performance improvement goals (London et al., 1997). Prewitt maintains that getting information is a "waste of money if it does not lead to improved outcomes" (1999). Walker and Smither found that ratee accountability is low when feedback is used only for developmental purposes (1999). In other words, ratees may be more likely to use feedback when it is used to make administrative decisions (London et al., 1997). In addition, raters are "more observant and evaluate performance behaviors more carefully if they know that their ratings will have important consequences" (London et al., 1997). Basing performance evaluations and administrative decisions on 360° feedback has the potential to improve the quality of participation in the evaluation process for both raters and ratees.

Although utilizing 360° feedback for performance evaluations and administrative decisions may increase accountability for raters and ratees, it may also produce negative consequences. First, employees may concentrate on how to achieve better evaluations rather than on how to improve performance (Pollack and Pollack, 1996). Second, when feedback data are utilized for performance, feedback recipients may become defensive, which potentially prevents changes in behavior (Tornow et al., 1998). Third, there are concerns regarding the accuracy of information when feedback data are collected for evaluation purposes because employees may fear reprisal from supervisors and peers if the feedback data impact promotions and

bonuses (Pollack and Pollack, 1996). Subordinates may inflate ratings if they know ratings will be used to determine managers' merit increases (Antonioni, 1996 and Atwater and Waldman, 1998). Because employees fear retaliation, Pollack and Pollack and Edwards and Ewen found that ratings collected for evaluation purposes were more lenient, less reliable, less valid and contained more halo ratings³ (1996).

Accountability

The previous section discussed increased accountability for both raters and ratees when 360° feedback is used for administrative decisions. This section defines accountability with regard to the 360-degree process, and offers mechanisms to enhance accountability within organizations such as goals, action plans, repeated measures and rewards. The definition of accountability and the means by which to include it in a 360 degree process developed in this section draw upon two highly regarded theories: goal setting and expectancy.

Within any evaluation system, employees are expected to use feedback from performance evaluations to improve work performance. But often incentives, consequences or mechanisms to ensure employees use feedback to improve are absent. In most evaluation systems, employees meet with a supervisor annually to discuss performance and, after leaving the meeting, fail to revisit or attempt to correct areas needing improvement. Hence, employees do not feel responsible for, or accountable to, utilize feedback obtained through the evaluation process.

³ Halo ratings are a **type** of rater error occurring when the rater gives a positively skewed evaluation based on one performance indicator the employee performs well.

Additionally, mechanisms to check supervisors' ratings of employees for accuracy and fairness are customarily absent in traditional systems. Evaluations are conducted and decisions are made unilaterally with little input from others even though supervisors may not observe **all** dimensions of employees' performance. In short, supervisors are not accountable for providing valid evaluations. In that 360 systems incorporate multiple raters, the problem of accountability extends to all raters. Each evaluator may observe and evaluate a particular portion of the employee's performance but, in the interest of fairness, raters should bear responsibility for providing objective and factual evaluations. Accountability for raters stems from the accuracy, honesty and integrity of the feedback provided. Therefore, mechanisms should be incorporated into the process to ensure accountability for rates so that feedback data are utilized to improve performance and for raters to ensure that accurate and fair evaluations are provided.

Accountability, previously mentioned as a reason to utilize 360-degree feedback information for performance and administrative decisions, is one of the major drawbacks associated with 360 systems. Multisource rating systems often do not hold rates accountable for utilizing the information they receive (London et al., 1997). As a result, multisource feedback has limited impact because feedback alone will not result in behavior change (Walker and Smither, 1999). To cause change, some subsequent action must be taken (Jackson and Greller, 1998). In fact, Jackson and Greller found that "360 feedback is useful but follow-up action was the most critical factor in improving performance" (Jackson and Greller, 1998).

According to goal setting theory, goals, motivation and performance are related. Goals are the source of motivation and direct behavior if two conditions are present.

First, the person has a clear understanding of the goals. Second, the person believes that the goals are worth achieving. Goal setting theory also maintains that the best goals, those that motivate and direct behaviors, are specific and difficult, yet attainable (Tornow et al., 1998, p. 26). Moreover, difficult goals result in higher performance than simple goals.

Goal setting theory emphasizes that performance improvement requires specific goals and specific feedback (London et al., 1997). Feedback leads to higher performance than no feedback at all. As a result, feedback plus goal setting results in larger gains than feedback alone. The goals that people set in response to feedback elicit changes in behavior. Changes in behavior and performance improvements often depend on the extent to which employees use feedback to set performance improvement goals (Walker and Smither, 1999).

Expectancy theory maintains that an individual will act in a certain way based on the strength and attractiveness of the expected outcome. In terms of workplace behavior, employees assess the effort required to complete tasks or perform adequately, the reward associated with the required performance and the attractiveness of the reward before deciding how to act. Thus, expectancy theory predicts that raters weigh participation in the 360 process in terms of the probability that participation will lead to desired outcomes such as enhanced communication, the revelation of neglected supervisory performance dimensions and the identification and resolution of conflict (Westerman and Rosse, 1997).

As expectancy theory also predicts, raters will expect responses, or something in return, for their input. Responses to feedback provided by raters during the evaluation process are more likely to occur if ratees create action plans with areas for

improvement linked to 360 feedback (Walker and Smither, 1999). Consequently, ratees should participate in training that teaches them how to set specific, rather than general improvement goals, and to develop formal action plans outlining specific strengths and developmental opportunities, which will increase the probability of providing responses to ratees and utilizing feedback to improve performance (Antonioni, 1996). Action plans developed soon after feedback reports are received increase the likelihood that follow-through will occur. To avoid overwhelming employees, improvement goals should be limited to three to five areas. If more than five areas are included in the plan, employees will not have time to improve in all areas (Pollack and Pollack, 1996).

In as much as multisource systems lack accountability for ratees, they often do not hold raters accountable for the accuracy of the information they provide (London et al., 1997). To remedy this deficiency, an accountable environment can be created through various mechanisms focusing on the system, rewards and the participants. Feedback systems with clear sets of objectives for both raters and ratees increase accountability by setting forth the expectations and responsibilities of the system. Another means of reinforcing accountability is to repeat the 360-degree process on a regular basis. "Knowing the feedback survey will be repeated increases salience for results" (London et al., 1997). Tracking changes over time promotes accountability for filling performance gaps identified in development plans (Tornow et al., 1998). In addition, comparison of ratings across years emphasizes self-improvement (Pollack and Pollack, 1996).

Multirater systems should also provide rewards for continuous improvement (Walker and Smither, 1999). Organizations could implement a variety of rewards

for employees who continuously meet goals developed through action plans. Some examples include salary increases, conferences, banquets, plaques, or tickets to local events. Positive reinforcement helps shape new behaviors. By the same token, recognition is necessary to reinforce new behaviors. To connect organizational expectations and employee behaviors, rewards and positive reinforcement should be linked to desired behaviors (Antonioni, 1996). In addition, supervisors, who are expected to support employees' improvement efforts, should be rewarded for providing adequate resources for subordinate development (London et al., 1997).

In terms of participants, accountability for raters will improve as responsibility for providing factual and meaningful information increases. When organizations increase accountability for ratees, the expectation is that feedback will be utilized to improve performance (Walker and Smither, 1999). There are several means to increase culpability for ratees: clear measurements of improvement by comparing feedback data across administrations of evaluations, consequences for lack of improvement, the requirement to communicate goals and discuss results with a skilled facilitator, participating in training linked to feedback results, and creating individual development plans (London et al., 1997; Walker and Smither, 1999).

Resources

Positive reinforcement, discussed as one means to promote behavior change in the previous section, provides motivation for employees to adapt behavior to organizational goals and requirements. Although motivation can be enhanced through positive reinforcement, some goals require additional tools to assist employees in reaching performance goals. For example, a goal of arriving to work in

a timely manner may be easily sustained with positive reinforcement, but a goal of increasing knowledge in a particular area will not be met through simple encouragement. Developing new skills and behaviors requires adequate resources; otherwise change is unlikely to occur. To the point, behavior modification is more likely to occur if it is encouraged and supported by the organization (Waldman et al., 1998).

By the same token, the benefits of multisource feedback are more apt to occur if follow-up activities support the process through training and mentoring programs. Yet many organizations do not require participation in developmental or training interventions in response to feedback (Walker and Smither, 1999). On the one hand organizations provide employees with evidence of developmental needs. On the other hand, organizations do not provide employees with the tools to improve. Pollack and Pollack, maintain that "[i]t is worse to provide feedback and no support than to provide no feedback at all" (1996). Feedback should be linked to developmental planning, goal setting and organizational support. When organizations devote resources to support feedback, ratees are more inclined to use the feedback to improve performance (Walker and Smither, 1999).

Organizational encouragement and support include resources for improvement, which target specific developmental areas, and support for interpreting feedback. Resources include guidelines, books, training programs, self-study, formal job opportunities, job rotation, on-the-job training, or changes in work conditions to

develop needed skills.⁴ Assistance with the interpretation of feedback is especially important because "[p]eople don't know what to do with the feedback they receive" (Wimer and Nowack, 1998). Support may be derived from coaches or colleagues who can offer assistance in setting goals and linking the process to developmental activities (Tornow et al., 1998, p. 27). Mentoring programs, shadowing, individual or one-on-one coaching with a trained facilitator or internal support groups are also helpful⁵.

Training

Training, briefly discussed as a resource for ratees, warrants more detailed attention because the utility of the 360-degree process may suffer if inexperienced employees participate in the provision and receipt of feedback. As a result, employees need help in learning how to provide, receive, understand and use 360° degree feedback (Edwards and Ewen, 1996, p. 157). This section focuses on training for all participants and discusses participation rates in the 360° performance evaluation process in light of expectancy theory.

According to expectancy theory, an individual will act in a particular situation and will base the effort exerted on a particular task on the probability of a desired outcome and on the attractiveness of that outcome. People assess the task, the ability to successfully complete the task and the outcome of the task. In other

⁴ See for example, Walker and Smither, 1999, Wimer and Nowack, 1998; and Edwards and Ewen, 1996.

⁵ See for example, Wimer and Nowack, 1998; Edwards and Ewen, 1996; Hayworth, 1998; Pollack and Pollack, 1996.

words, raters consider their ability to rate effectively as one factor in deciding whether or not to participate in the 360-degree evaluation process (Westerman and Rosse, 1997). Consequently, rater training is important because, according to expectancy theory, participation may hinge on raters' comfort with conducting performance appraisals. When participation rates decline, feedback becomes less useful for both developmental and evaluative purposes (Atwater and Waldman, 1998). Expectancy theory also predicts that an individual's effort on a specific task is directly correlated to his or her ability to perform the task effectively. Since people will do what is within their abilities, training is imperative (Westerman and Rosse, 1997).

Initial training for raters should introduce employees to the 360-feedback process, outline steps and instruct respondents on how to complete behavior feedback surveys and provide feedback (Edwards and Ewen, 1996, pp. 103-104). Information pertaining to anonymity and confidentiality should be included to ease participants' concerns about retaliation (Edwards and Ewen, 1996). In addition, an explanation of the purpose of the ratings as well as roles, responsibilities and accountabilities should also be included (Westerman and Rosse, 1997; Waldman et al, 1998). The more information raters have about their roles and responsibilities, the more comfortable they will be with the process as well as their participation in the process. Training also facilitates the development of a common frame of reference for all raters (Antonioni, 1996). As such, raters should develop an understanding of the intricacies of the rating process. In addition, the potential for inconsistent ratings is always present therefore training cannot be overemphasized (Tornow et al., 1998).

While raters are providing 360 feedback, ratees are receiving feedback. Ratees should also participate in training so that they will understand and use feedback data to improve performance. For ratees, training should review the process, instruct employees on how to interpret multirater feedback and help them develop an understanding of the information they are receiving. In addition, ratees should know how to receive the information and how to use it constructively (Edwards and Ewen, 1996, p. 121). Human Resources staff may facilitate the receipt of appraisees' first feedback and may also conduct training pertaining to analyzing data, selecting improvement targets and setting specific goals and action plans. In fact, ratees may practice setting goals with hypothetical feedback data (Antonioni, 1996).

Training for both raters and ratees should include

an understanding of the system, discussion on instrument development, how information is collected and used, administration method and time lines, confidentiality, how to complete the questionnaire and examples of rating errors (Westerman and Rosse, 1997).

Finally, to increase accountability for feedback results, training programs should be linked to performance measures (London et al., 1997). Antonioni recommends providing training based on action plans within four months. "Immediate training improves the chance of making improvements salient enough for appraisers to notice and provide positive recognition" (Antonioni, 1996). By looking at trends of feedback data across the organization, the need for new training programs may become apparent. It is possible to tie both training and development programs to individual needs and specific key organizational competencies (Walker and Smither, 1999).

Rater Variance

The final issue associated with 360 feedback is rater variance. The 360-degree process derives much of its strength through the incorporation of feedback data from many sources. Collectively participants possess knowledge about most aspects of the ratee's performance. With multiple raters participating in the process, the potential for variance among raters within and between groups exists. For example, an employee's superiors may find his performance exceptionally commendable. On the other hand, an employee's peers may believe that his performance is abominable. The employee will potentially receive conflicting views of his performance based on the variance in ratings between groups. Raters within a rating group may also produce opposing evaluations creating rater variance within a rating group.

Jackson and Greller believe that since the purpose of 360 is to capture differing information, "differences may reflect legitimate differences in expectations by parties in very different positions in the work environment" (1998). For this reason, rater variance among different groups of appraisers is to be expected. According to Jackson and Greller, variance among raters is acceptable as long as evaluations are utilized for purely developmental purposes. When evaluations are used for discipline, promotion, pay decisions, or other consequential action, rater variance becomes a greater concern. Thus, consequential action based on feedback data may create difficulties (Jackson and Greller, 1998). Conversely, Mount et al. found that rater variance was more strongly associated with individual raters in the same group than with raters between groups. These authors believe that "[b]ecause ratings from each rater appear to capture unique rating variance, it is important to include multiple raters in the process rather than relying on the results of a single rater"

(Mount et al., 1998). Despite the potential difficulties noted above, rater variance can provide guidance in the interpretation and use of the findings.

The solution to rater variance is to consistently apply rater standards, especially if the feedback will be used for administrative purposes (Jackson and Greller, 1998). Computer analysis can identify and eliminate invalid respondents through scientific principles that reveal "judgments that differ from all others beyond a reasonable chance" (Edwards and Ewen, 1996, p. 110). With the small number of raters in each group, one outlier can skew the average scores. If the outlier is not eliminated, the average score would not represent the collective intent of the multiple respondents within the group and employees will receive inaccurate results. Outliers have the largest affect on the highest and lowest performers, yet these are the employees who need the most accurate measurement for administrative purposes and motivation to change (Edwards and Ewen, 1996, p. 111-115).

Organizations utilizing 360 feedback may consider utilizing trimmed mean scoring that discounts extreme high and low responses and removes nearly all outliers. Parameters for trimmed mean scoring can be set at any level but **20%- 30%** is typical. The result is that responses more than **20-30%** different from others are removed. Trimmed mean scoring provides a more stable mean for a small sample than a simple mean or average. It also provides better respondent anonymity. Since everyone's score could have been eliminated, no one person can be responsible for providing low ratings (Edwards and Ewen, 1996). Therefore, ratees receive critical feedback only when a number of people feel the same way.

Conceptual Framework

This research utilizes a conceptual framework, a tool used to organize the empirical portion of this study. The framework emerged from the literature as recurring themes, issues and considerations associated with 360° systems. Through the literature review, key aspects of 360° performance evaluation systems were classified into seven conceptual categories: organizational culture, anonymity, utilization, accountability, resources, training and rater variance (See Table 2.1). Categories are utilized when the research purpose is to describe a particular subject- in this case, 360° performance evaluation processes. The categories provide a basis for identifying and describing the attitudes of Texas State Human Resource directors about key aspects of the 360-degree process. In essence, the categories derived from the literature provide the foundation for the conceptual framework, which is then linked to questions on the survey instrument. The next section briefly reviews and justifies the conceptual categories.

Conceptual Framework Linked to Literature
Table 2.1

Descriptive Categories	Scholarly Support
Organizational culture 1 Predictors success/failure 2 Trust 3 Open communication	Bookman 1999 Tornow et al., 1996, p. % & p.99 Prewitt, 1999 Hayworth ,1998 Tornow et al., 1998, p125-126 & p.143
Anonymity 4. For this 5. Rate feel safe 6. Lessen fears of retaliation 7. Distorts scores 8. Inflates ratings 9. Impacts reliability 10. Impacts validity 11. Safeguards to protect	Wimer and Nowack, 1998 Pollack and Pollack, 1996 Edwards and Ewen, 1996, p. M Westerman and Rosse, 1997 Antonioni, 1996 Edwards and Ewen, 1996, p. 157-158
Utilization: Development 12. Do not share feedback dam with supervisor 13. Do not include data during Performance evaluation 14. Acceptance if used only for development Refine 15. Less likely to use if solely for development 16. Supervisor will use dam during performance appraisals 17. More apt to use when included in performance appraisal 18. Inmate ratings when included in performance appraisals	Edwards and Ewen, 1996 Edwards and Ewen, 1996, p. 46-47 Atwater and Waldman, 1998 Pollack and Pollack, 1996 Edwards and Ewen, 1996, p. 12 & p.50 Prewitt, 1999 Walker and Smither, 1999 London et al., 1997 Tornow et al., 1998, p. 97 Antonioni, 1996
Accountability 19. Ensure utilization 20. Accurate/fair evaluations 21. Set goals 22. Rate weigh participation 23. Rate expect something in return for input 24. Training to set goals 25. Training to develop action plans 26. Action plans o o after feedback 27. Repeated measures 28. Positive reinforcement/recognition 29. Rewards linked to desired behaviors 30. Rewards linked to organizational expectations 31. Reward supervisors 32. Communicating goals 33. Discussing results	Waldman et al., 1998 Jackson and Greller, 1998 Tornow et al., 1998, p. 26 London et al., 1997 Walker and Smither, 1999 Westerman and Rosse , 1997 Antonioni, 1996 Pollack and Pollack, 1996
Resources 34. Behavior modification through encouragement 35. Behavior modification through support 36. Use feedback with resources 37. Do not h o w what to do with feedback 38. Provide assistance with interpretation of feedback	Waldman, 1998 Pollack and Pollack, 1996 Waker and Smither, 1999 Wimer and Nowack, 1998 Tornow et al., 1998, p27 Edwards and Ewen , 1996 Hayworth , 1998
Training 39. To use 3M process 40. Ability to rate 41. Impacts use for development 42. Impacts use for evaluative purposes 43. Effort exerted by raters 44. To complete surveys 45. To understand feedback 46. To use feedback 47. Assistance for interpreting feedback	Edwards and Ewen, 1996, p. 121 & p. 157 Westerman and Rosse , 1997 Atwater and Waldman, 1998 Edwards and Ewen, 1996 Waldman et al., 1998 Antonioni, 1996 Tornow et al., 1998, p. 15 Walker and Smithcr. 1999
Rater Variance 48. Conflicting view of performance 49. Trimmed mean scoring	Jackson and Greller. 1998 Mount et al., 1998 Edwards and Ewen, 1996, p110- 115

Several authors assert that organizational culture predicts the success or failure of 360-degree evaluation systems (Tornow et al. 1998, p. 99; Prewitt, 1999). As a result, **organizational culture** is the most important factor to consider before implementing any 360-degree feedback process (Tornow et al., 1998, p 143). Another key aspect of 360 systems is **anonymity** for raters. The presence or absence of **anonymity** impacts implementation issues including fear of retaliation for low ratings, feedback scores and participation rates (Antonioni, 1996, Westerman and Rosse, 1997). When **anonymity** is assured **in** 360-degree processes, raters can provide honest feedback in a safe environment (Antonioni, 1996; Pollack and Pollack, 1996; Wimer and Nowack, 1998). Honest feedback is paramount to an effective feedback system.

Utilization of 360-degree feedback data also has a profound effect on key participants in the process because the use of 360-degree feedback data, either for **development** or **performance**, affects who has access to, and control of, feedback data (Edwards and Ewen, 1996; Atwater and Waldman, 1998). **In** addition, **utilization** potentially affects ratings and whether ratees will use feedback data to improve performance⁶. The question of whether ratees use feedback data to improve performance is a topic of considerable discussion by experts in the field who question **accountability** for both raters and ratees in 360-degree processes⁷. The very credibility of the 360-degree performance evaluation system rests on whether raters provide accurate and honest information and on whether ratees utilize feedback data

⁶ See Pollack and Pollack, 1996; Antonioni, 1996; Atwater and Waldman, 1998; London et al., 1997.

⁷ For additional information see, London et al., 1997; Jackson and Greller, 1998; Antonioni, 1996.

to improve performance. Accountability may be improved by various systemic mechanisms within the 360-degree process and by responses to rater input via action plans and improvement goals⁸. Unfortunately, one of the criticisms of 360-degree processes is the lack of procedural measures to ensure accountability.

Merely implementing a multirater system and simply providing feedback data to ratees will not ensure improved performance. To support the 360-degree process, the provision of resources and **training** are imperative⁹. Resources support behavior modification and also assist ratees with the interpretation and use of feedback data (Walker and Smither, 1999; Wimer and Nowack, 1998; Edwards and Ewen, 1996). Similarly, training teaches both raters and ratees how to utilize the process (Edwards and Ewen, 1996; Westerman and Rosse, 1997). Training, or the lack thereof, can also affect the level and quality of **participation**¹⁰.

Finally, rater variance is expected in 360-degree systems because many different people are providing feedback on an individual's performance (Jackson and Greller, 1998). Although variance is unavoidable, the effect must be controlled systematically in order to provide guidance in the interpretation and use of the findings (Edwards and Ewen, 1996).

⁸ See London et al., 1997; Westerman and Rosse, 1997; Walker and Smither, 1999; Pollack and Pollack 1996; Tornow et al., 1998.

⁹ For additional information see, Waldman et al, 1998; Pollack and Pollack, 1996; Edwards and Ewen, 1996.

¹⁰ See Atwater and Waldman, 1998; Westerman and Rosse, 1997; Edwards and Ewen, 1996.

Included in the next chapter, Research Setting, is a description of the 360° performance evaluation process in public sector organizations. Specifically, the chapter examines the implementation and use of 360° performance evaluation systems within institutions of higher learning and agencies in the state of Texas.

Chapter Three

Setting

Introduction

The purpose of this chapter is to provide an understanding of the 360° performance evaluation process in state government. In order to gain a perspective sensitive to potential differences between public and private sectors, an interview was conducted with Dr. Kay Betz, PhD., who has implemented 360° performance evaluation systems in both sectors. Dr. Betz currently serves as the Director of Organizational Development and Employee Learning at the University of Texas at Austin. (See Appendix A1-A5 for a complete transcript of the interview.)

This brief discussion applies the seven conceptual categories of **360°** systems, derived from the literature review, to Texas state agencies by incorporating expert opinion. Conceptual categories include: organizational culture, anonymity, utilization, accountability, resources, training and rater variance. As the application of categories contains opinions based on individual experience, it is a limited perspective providing a re-examination of the categories taking expert experience into account. Specific examples of 360° performance evaluation systems in state agencies are also examined.

Organizational Culture

Dr. Betz stated that the public sector is characterized by a more traditional culture which reflects attitudes that do not support interactive management, such as 360° performance evaluations. For example, higher education and state agencies are not supportive of 360 because they do not include employees in problem solving or decision-making. A traditional culture emerged because the public sector grew out of civil service, which was rigid in terms of how people were treated. Moreover, bureaucracy in public sector organizations is structured so that individuals cannot make decisions because agencies must strictly follow policies and procedures.

Organizational culture is also important because the strong chain of command in the public sector impacts organizational processes. Dr. Betz believes that public organizations, especially health care organizations, have a strong military medical model and require approval at every step for every process. In Texas, there are a lot of ex-military employees in public organizations that do not promote participative management. Consequently, the public sector is not as participatory as the private sector, is more authoritarian, is unidirectional (top-down), and is typically behind the curve in terms of management practices.

Dr. Betz believes that there may be a disincentive for 360° performance evaluation systems in the public sector because, it has historically not been driven by market forces, did not need to be competitive, was not team driven, and did not utilize peer evaluation. In addition, "there is no notion of career progression and there are no career ladders unless the employee is following the civil service track". For the most part, drives to improve performance in the public sector are "sporadic

attempts that usually occur when someone from the private sector is elected to public office". In short, 360 systems are harder to implement in the public sector because the culture is less supportive and hampers experimentation and performance improvement.

The difference between public and private sectors is that in the private sector, the person at the top controls the culture and the culture is often a "performance-driven culture with accountability based on goals, teamwork and collaboration." Thus, performance is developed, measured, reinforced and rewarded. Executives drive private sector organizations and 360° systems are implemented for profit purposes.

On the other hand, public sector culture is not performance driven perhaps because performance measurement is more difficult "due to the lack of one of the public sector's common measures – profit" (Straight, 2000). The American Society for Public Administration found that the "use of performance measurement is still the exception rather than the norm in American government organizations.. .[T]here is great potential to improve performance, accountability, and reporting by integrating performance information into regular policy and management processes" (ASPA, 1992).

In any organization implementing 360 systems, the culture should promote accountability at the individual, group and organizational levels, according to Dr. Betz. In addition, "management controls, checks, monitoring devices and support are necessary." Barriers must be removed and there should also be some sort of protection for those experimenting with 360 if it is implemented only in selected segments of the organization. To successfully implement 360 in the public sector, it is necessary to "avoid, or work around", the bureaucracy.

Anonymity

In the public sector, "employees would have more of a sense of safety in providing feedback because they have a perception of not being fired", Dr. Betz stated. The public sector provides a "safer" culture in terms of actual protection from termination or adverse disciplinary action because of laws that protect public sector employees including the Whistleblower's Act and other laws providing protection from retaliation. While laws protecting public sector employees may make employees feel safe, public organizations adopt a more strict adherence to policies and procedures than the private sector. In the private sector, often there is an "opening up" of policies and procedures, including guarantees of confidentiality and anonymity thereby creating an environment that allows employees to feel comfortable providing feedback.

Utilization

For employees to be more accepting of the 360 ° performance evaluation process, Dr. Betz recommends utilizing 360 only for development initially. Her experience has been that there is a lot of fear that 360 will be tied to merit increases or raises. To combat this fear, the process should begin by focusing only on development. Then, once employees are comfortable with the process, it can be tied to reward. The most important point is to clearly establish how 360 feedback data will be utilized. Dr. Betz stated that the problem with implementing any new performance evaluation system in the public sector is that there are a lot of politics involved caused by conflicting desires among diverse factions within public sector organizations.

Accountability

Dr. Betz stated that there is no accountability in the public sector to improve in terms of personal development. Performance evaluations conducted for development indicate directions for future growth of organizational progress and focus on an individual's potential rather than on the current level of skills and capabilities (Crane and Crane, 2000). In the public sector, goals for organizations may contain deliverables for budgetary purposes but objectives are not necessarily "driven down" to the individual level. The lack of accountability in the public sector makes it easier for employees at all levels to be resistant to the implementation of new practices, including performance evaluation systems. In the private sector, accountability "cascades down through information, communication and training."

Although the literature supports communicating goals with a skilled facilitator as a mechanism to increase accountability, Dr. Betz disagrees. She stated that repeated applications of the 360 survey instrument may increase the salience of results to a certain extent. And, contrary to expectancy theory, Dr. Betz disagrees that people in the public sector expect something in return for their input into the 360 process.

Resources/Training

Dr. Betz feels that the public sector has insufficient resources to support a thorough implementation of the 360° performance evaluation process. In private industry, resources are more readily available. The private sector has more money to implement 360 systems and managerial level employees at least "go through the motions" because there is a directive from the top.

The lack of resources and accountability in the public sector may explain the nature of performance evaluations in the public sector. For example, public sector organizations often fail to track performance evaluations and performance evaluations are conducted sporadically. When evaluations are conducted, Dr. Betz feels that there is more concern surrounding the utilization of the correct form than with the quality of the evaluation. She cited some exceptions including the Department of Human Services and the Texas Department of Transportation where "specific types of quality, including performance evaluations, are written into funding requirements." In these organizations, performance appraisals are required to ensure accountability and deliverables.

Additionally, the public sector lacks resources to purchase **360** systems off the shelf. Off the shelf systems, which could be purchased and implemented without extensive time and resource commitments from staff, are expensive. As a result, public sector organizations often require 360° systems to be created in-house while private sector organizations buy standardized systems that have been statistically validated. The creation of **360**° performance evaluation systems in-house requires huge time and resource commitments from employees in various areas of the organization. On a related note, Dr. Betz believes that the 360° process "works best when an external expert works to systematically integrate it into the organization." Hiring external consultants creates additional costs that public sector organizations may not be able to afford.

Rater variance

Dr. Betz stated that rater variance is to be expected in any 360° performance evaluation system. She felt that, in terms of rater variance, there "would not be a difference between public and private sectors."

Individual leaders

The literature revealed that organizational culture is the most important factor affecting the success or failure of any 360 degree process. Dr. Betz maintains that "individual leaders are the strongest variable in terms of the success or failure of the 360° process, even more than culture." In her experience, leaders who request the 360° process "want to develop individuals or have had some failures and want to learn and try new things."

According to Dr. Betz, because the public sector is more political than the private sector, leaders are "attempting either to survive or make a name for themselves". In other words, "they either make a big splash or makes no waves at all." If survival is of paramount importance, leaders do not want to leave an imprint and will not try anything new because of competing factions within the organization.

For both public and private organizations, she believes that the top leader should participate in the process, model appropriate behavior and tie rewards to behaviors that the organization values. This means rewarding a wide array of behaviors, not just technical expertise. She asserted, "Doing the right thing should be tied to rewards."

360° Performance Evaluation Systems in the **Public** Sector

In Dr. Betz' experience, public sector organizations that have implemented **360** systems attempt to integrate the **360°** performance evaluation system into the current system, while private sector organizations completely replace the old performance evaluation system with the new **360** system. Successful implementation of **360°** performance evaluation systems in the public sector requires a revision of the old performance evaluation system to include **360** concepts. Dr. Betz maintains that parallel systems are ineffective and that neither system will be successful if one system is utilized for merit and another for development. Thus, the **360°** performance evaluation process must be integrated into the legacy system.

In addition, traditional performance evaluation systems, lack developmental sections. As public sector organizations employ traditional management practices, performance evaluation systems are rarely used for development; instead they are used to justify merit increases. As a result, performance evaluations are not tied to reward or development. Dr. Betz contends that development, performance and reward should all be tied together. Straight supports her contention by stating "it is important to align performance measurement and the reward and recognition systems with the goals and desired results of the organization" (2000). Yet Dr. Betz feels that "most people do not like development just for the sake of development. They like it because it promotes reward and recognition." She believes that most people are extrinsically, rather than intrinsically, motivated. Moreover, linkages among work ethic, achievement and motivation are absent, but she finds that these

are flaws of organizational life, not necessarily characteristics of either the public or the private sector.

Examples of 360° Performance Evaluation Systems

Dr. Betz implemented the 360° performance evaluation process at Beverly, a private sector health care organization, the Texas Department of Health and at the University of Texas at Austin. She also provided some insight on the 360 process at the City of Austin.

Beverly incorporated the 360° performance evaluation process throughout the organization whereas the Texas Department of Health and the University of Texas only implemented 360 in portions of the organization. In addition, at Beverly, Dr. Betz was able to purchase a system off of the shelf while she had to develop the system at the University of Texas.

At the Texas Department of Health, 360° performance evaluations were implemented in five or six large departments with about 1500 – 2000 employees and were incorporated into Quality and Organizational Development work. In this case, successful implementation of the process was dependent upon the leadership of the individual experimenting with the process. Dr. Betz stated that, "it was a constant education process with the Human Resources staff to ensure that they remained supportive of the process."

She recalled that in the beginning, people were concerned about the 360° performance evaluation measures being tied to rewards. For this reason, she strongly believes that it is "best to take one step at a time and not to tie 360° feedback to

reward at first." Once employees have become comfortable with the process, a second phase may incorporate peer feedback in the reward structure (e.g. at the end of a project). Dr. Betz maintains there should be clear performance expectations delineated at the beginning of a project. There should also be a specific percentage or weight attached to peer feedback and a certain percentage tied to supervisor input. For example, the supervisor may still account for **50%** of the input that will be incorporated into rewards. Peer feedback may account for another **50%**. Interestingly, her experience has been that employees find customer feedback less threatening than peer feedback.

At the University of Texas, Dr. Betz discovered that **360°** performance evaluations work best in auxiliary departments such as Printing, the Dana Center and sections of Housing and Food and the Physical Plant, because they have semi-private characteristics. In her experience, academic departments have not been successful with **360**. One exception would be the Office of Accounting, which was successful because of external variables impacting business, which allowed employees to build criteria for performance measurement and improvement. If departments are driven by external factors (e.g. profit) they have a greater chance for success with **360**.

Dr. Betz found that to successfully implement **360** at the University of Texas, a strong leader, "who is teachable, who wants good management in his/her department, and who wants good performance in spite of the bureaucracy", is essential. Working in spite of bureaucratic barriers requires extensive groundwork, for example, memos requesting approval at every level and additional pre-work to

"get the bureaucracy out of the way." She believes that policies and procedures supporting bureaucracy obstruct interactive management.

There were "a muddling of resistant people" in the various UT departments in which she has implemented **360**. She found that most unwilling individuals are long-term employees, but are not necessarily good employees. People who resist are those who are reluctant to "rock the boat" and/or change what they are doing on a daily basis.

Although Dr. Betz did not implement the **360** system at the City of Austin, she provided her thoughts with regard to the process. She stated, "When Camille Barnett was at the City, she made it seem like they were doing **360**, but the basic premise of the system never ran deep."¹¹ The impetus to implement **360** performance evaluations lacked a directive from the City Council or customers, so the entire initiative had "the superficial trappings of doing **360** but the management system was unsupportive of it and controls to make the process successful were absent.

Private sector organizations create systems and processes to ensure success of the **360** performance evaluation process. For example, teams meet to look at figures like market share, gross profit, net earnings, return on investment and shrink. The private sector also utilizes rotational leadership. As a result, there are data that can be tracked and tied to feedback. She stated,

In the private sector, the **360** performance evaluation system becomes a part of management practices. It is an attempt to change the culture to put specific behaviors in place and the feedback scores from **360** measure how well employees are embracing the change.

¹¹ Camille Barnett served as City Manager in **Austin**, Texas from 1987 – 1988.

Despite the fact that 360° performance evaluation systems are more difficult to implement in the public sector, Dr. Betz believes that public sector organizations can successfully implement 360. In the public sector, the process would require additional groundwork and approvals, a strong leader, accountability, clear performance measures, establishing how feedback **data** will be utilized and an integration of 360 into the current performance evaluation system.

Chapter Four, the next chapter, provides an explanation of research methodology, an assessment of surveys as a method for performing this research and a description of the research population.

Chapter IV

Methodology

Introduction

This chapter explains the research methodology utilized for the empirical portion of the study. The purposes of this paper are two fold. The first, to define the implementation and utilization of **360°** feedback systems, is accomplished in the Literature Review chapter. The second is to ascertain the attitudes of public sector Human Resource directors on conceptual categories associated with the **360°** process. This chapter begins addressing the second research question through an assessment of survey research as a method for performing research. Concluding the chapter is a description of the research population.

Research Design

Survey research is the method utilized to identify the attitudes of public sector Human Resource directors with regard to the seven conceptual categories associated with **360°** evaluations. The survey design is tied to the literature through the conceptual framework. Thus, the conceptual framework provides a link between the research question and the data collected because the survey instrument is developed through, and linked to, the conceptual framework (Shields, 1998).

Surveys, often used for descriptive, explanatory and exploratory research purposes where individual persons are typically the unit of analysis, provide a means for measuring attitudes in a large population. According to Babbie, "Survey research

is probably the best method available to the social scientist interested in collecting original data for describing a population too large to observe directly" (Babbie, 1998, p. 256). The standardized survey, which ensures that exactly the same observation technique is used with each and every respondent in the study, is an integral part of survey research (Babbie, 1998). This study seeks to identify attitudes of Human Resource directors in Texas state agencies. The purpose and uses of survey research suggests that this method is appropriate for the research questions under consideration.

To further illustrate the suitability of survey research for this study, it is important to summarize associated strengths and weaknesses. Because the researcher is able to examine and describe large populations, economy is one strength of survey research; flexibility is another strength. A given topic may be investigated through numerous questions on standardized questionnaires providing versatility when analyzing data and developing operational definitions. Standardized questionnaires are also important in terms of measurement as the researcher asks exactly the same questions of all subjects and attributes the same intent to all respondents giving a particular response.

Weaknesses include: the inability to adapt the design to what is most appropriate to most respondents, the creation of artificial or superficial responses through limited choices on the survey instrument and the ability to measure only recalled past action or hypothetical action, not social processes. In general, survey research is strong on reliability but weak on validity. Reliability refers to the ability of a research technique to yield the same result with repeated applications (Babbie, 1998). Standardized questionnaires promote reliability. Validity "refers to the extent to

which an empirical measure adequately reflects the real meaning of the concept under consideration" (Babbie, 1998, p. 133). Survey questions may not adequately capture common agreements or images of a particular subject. In this case, concerns about validity are taken into account and minimized because the survey instrument is tied to strong rationale and the literature review. Although it may be impossible to completely eradicate validity issues, the approach to survey construction in this study addresses and improves validity because the survey instrument is linked to the literature **via** the conceptual framework. Taking both strengths and weaknesses of survey research into account, it is appropriate for this study as long as inherent weaknesses are **understood**.¹²

The questionnaire is organized according to the seven categories in the conceptual framework including organizational culture, anonymity, utilization, accountability, resources, training and rater variance. Before mailing, the survey was pre-tested by a small group of Human Resource professionals from both public and private sectors. A revised version of the survey instrument was then developed based on feedback from the pretest.

¹² For additional information on survey research, see Bernard, Russell H., *Social Research Methods Qualitative and Quantitative Approaches*, 1999.

Population

The population for this study consisted of Human Resource directors of the 36 largest Texas state agencies. State agencies include the Attorney General, several institutions of higher education and various state departments, offices, boards and commissions. It was imperative that Human Resource directors respond to the survey. As a result, the largest 36 state agencies, according to operating budget, were included in the population under the assumption that larger agencies would employ Human Resource directors. In addition, the largest agencies account for the majority of operating expenditures for the state of Texas. Originally, the largest 25 state agencies were requested from the Attorney General's office. The information provided by the Attorney General contained the largest 40 expenditures. Four of the expenditures listed were not organizations, leaving a population of 36 state agencies.

A cover letter, the survey questionnaire and a self-addressed stamped envelope were mailed to Human Resource directors of the largest 36 state agencies, according to state of Texas operating budget for fiscal year 2001. (See page 49 for a list of the 36 agencies surveyed). The cover letter included information about the study and informed potential participants of the option of faxing responses. By the end of the time allotted, 56% of the survey instruments were completed and returned. The response rate raises issues with regard to generalizability, or external validity, in that the survey may provide information only about Texas state agencies with operating budgets over \$80,837,000.

**36 Largest State Agencies by Total Appropriations
for Fiscal Year 2001¹³**

1. Central Education Agency
2. Health, Texas Department of
3. Transportation, Texas Department of
4. Human Services, Department of
5. Criminal Justice, Texas Department of
6. Mental Health and Mental Retardation, Texas Department of
7. Teacher Retirement System of Texas
8. Workforce Commission, Texas
9. Protective and Regulatory Services, Department of
10. UT M.D. Anderson Cancer Center
11. UT Medical Branch at Galveston
12. Natural Resources Conservation Commission, Texas
13. University of Texas at Austin
14. Public Safety, Texas Department of
15. Attorney General, Office of the
16. Rehabilitation Commission, The
17. Higher Education Coordinating Board, Texas
18. Texas A & M University – Main
19. Youth Commission, Texas
20. Lottery Commission, Texas
21. Housing and Community Affairs, Texas Dept. of
22. Parks and Wildlife Department, Texas
23. Comptroller of Public Accounts, State
24. University of Houston
25. Alcohol and Drug Abuse, Texas Commission on
26. Texas Tech University
27. University of Texas Health Science Center – Houston
28. University of Texas Health Science Center – San Antonio
29. University of Texas Southwestern Medical Center at Dallas
30. University of North Texas
31. Juvenile Probation Commission, Texas
32. University of Texas at Arlington
33. Southwest Texas State University
34. Texas Interagency Council on Early Childhood Intervention
35. Texas Tech University Health Science Center
36. University of Texas at San Antonio

¹³ Information provided by the Texas State Auditor's Office ABEST Rankings.

Operationalization of the Conceptual Framework

The questionnaire is organized according to the seven conceptual categories in the conceptual framework: organizational culture, anonymity, utilization, accountability, resources, training and rater variance. Table 4.1 demonstrates the operationalization of the conceptual framework by illustrating survey items corresponding to each conceptual category. See Appendix A-7 to A-11 for an example of the questionnaire. Answers to questions are based on a scale ranging from strongly agree, agree, neutral, disagree to strongly disagree and coding ranges from +2 to -2.

Statistics

Percent distributions and means derived from survey response data allow a simple analysis of agreement versus disagreement based on the positive or negative value of each average. The presentation of the research results is comprised of tables reflecting the distribution of the responses made by respondents. Categories are also summarized through arithmetic means for each category. Numbers below zero represent disagreement while positive numbers represent agreement.

Collapsing averages for questions within a particular category provides a mean for the entire category. Thus, a summary scale by which to gauge each category, is developed. For the summary scale, means greater than 1.5 indicate strong agreement, means between 1 and 1.5 denote agreement and means below 1 signify weak agreement. As noted above, negative numbers correspond to disagreement.

Means below -1.5 suggest strong disagreement, means between -1 and -1.5 imply disagreement and means greater than -1 but less than 0 indicate weak disagreement.

This chapter begins addressing the second research purpose of this study.

Chapter Five is also focused on the second research question and reports the findings associated with the attitudes of Human Resource directors in the Texas state agencies with regard to the 360° feedback process.

Table 4.1 Operationalization of the Conceptual Framework

Descriptive Categories	Survey Question
Organizational Culture Predictor success/failure Trust Open communication	<ol style="list-style-type: none"> 1. Organizational culture is a strong predictor of the success or failure of the implementation of 360° feedback systems. 2. Organizations possessing trust are more likely to support 360° processes than organizations characterized by distrust. 3. Organizations possessing open communication are more likely to support 360° processes than organizations characterized by fear.
Anonymity For raters Raters feel safe Lessens fear of retaliation Distort feedback scores Inflates ratings Impacts reliability Impacts validity Safeguards to protect	<ol style="list-style-type: none"> 4. Successful 360 systems require anonymity for those providing feedback. 5. Anonymity allows respondents to feel safe in providing feedback. 6. Anonymity lessens fears of retaliation for providing low ratings. 7. The absence of anonymity may distort the feedback scores employees provide. 8. Appraisers may give higher ratings if they can be identified. 9. Low rater participation impacts the reliability of 360° feedback. 10. Low rater participation impacts the validity of 360° feedback. 11. Organizations utilizing 360° feedback should implement safe guards to protect the anonymity of raters
Utilization Development Not share with supervisor Not include for evaluation Accept if used only for Less likely to use if only for Performance Use data for evaluation More apt to use Inflation ratings	<ol style="list-style-type: none"> 12. If feedback data is used only for development, it should not be shared with the supervisor. 13. If feedback data is used only for development, ratings should not be included in performance appraisals. 14. Employees will be more accepting of 360° feedback data if ratings are used solely for development. 15. Employees are is likely to use 360° feedback data when it is used only for development. 16. If 360° feedback data is shared with the supervisor, the supervisor will use the data during the performance appraisal process. 17. Employees are more likely to use 360° feedback data when it will be included in the performance appraisal process. 18. Employees may inflate ratings when 360° feedback is included in the performance appraisal process because they fear retaliation for low ratings.
Accountability Ensure utilization Accurate/fair evaluations Set goals Raters weigh participation Return for input Training to set goals Training to develop action plans Action plans soon after feedback Repeated measures	<ol style="list-style-type: none"> 19. The 360° process should contain mechanisms to ensure that those receiving feedback data use the data to improve performance. 20. The 360° process should include mechanisms to ensure that raters provide accurate and fair evaluations. 21. Employees will be more likely to use feedback data if they are required to set performance improvement goals. 22. Raters, those providing feedback data, will weigh participation in the 360° process in terms of the probability of their participation leading to desired outcomes. 23. Raters, those providing feedback data, expect responses, or something in return, for their input. 24. Ratees, the employees who are receiving feedback data, should participate in training that teaches them how to set specific improvement goals. 25. Ratees, the employees who are receiving feedback data, should participate in training that teaches them how to develop formal action plans. 26. Action plans developed soon after feedback reports are received increase the likelihood that those receiving the feedback will use the feedback to improve. 27. Repeating the 360° process on a regular basis promotes accountability for closing performance gaps. 28. Positive reinforcement or recognition is necessary to reinforce new behaviors.

<p>Positive reinforcement/recognition Rewards linked to desired behaviors</p> <p>Rewards linked to expectations</p> <p>Reward supervisors</p> <p>Communicating goals</p> <p>Discussing results</p>	<p>29. 360° systems should include rewards for continuous improvement linked to desired behaviors.</p> <p>30. 360° systems should include rewards for continuous improvement linked to organizational expectations.</p> <p>31. Supervisors, who are expected to support employees' improvement efforts, should be rewarded for providing adequate resources for subordinate development.</p> <p>32. Communicating goals with a skilled facilitator or mentor increases the likelihood that feedback data will be used to improve performance.</p> <p>33. Discussing results with a skilled facilitator or mentor increases the likelihood that feedback data will be used to improve performance.</p>
<p>Resources</p> <p>Behavior change through encouragement</p> <p>Behavior change through support</p> <p>Use feedback with resources</p> <p>Do not know what to do with feedback</p> <p>Provide assistance with feedback</p>	<p>34. Behavior modification is more likely to occur if it is encouraged by the organization.</p> <p>35. Behavior modification is more likely to occur if it is supported by the organization.</p> <p>36. When organizations devote resources to support feedback, ratees are more inclined to use feedback to improve performance.</p> <p>37. People do not generally know what to do with the 360° feedback they receive.</p> <p>38. Organizations utilizing 360° feedback should provide assistance with the interpretation of feedback.</p>
<p>Training</p> <p>To use 360 process</p> <p>Ability to rate</p> <p>Impacts use for development</p> <p>Impacts use for evaluation</p> <p>Effort exerted by raters</p> <p>To complete surveys</p> <p>To understand feedback</p> <p>To use feedback</p> <p>Assistance with interpreting feedback</p>	<p>39. Employees need help in learning how to use the 360° process.</p> <p>40. Raters consider their ability to rate effectively as one factor in deciding whether to participate in the 360-evaluation process.</p> <p>41. When participation rates decline, feedback becomes less useful for development purposes.</p> <p>42. When participation rates decline, feedback becomes less useful for evaluative purposes.</p> <p>43. The amount of effort raters exert in providing feedback data is directly correlated to their ability to perform the task effectively.</p> <p>44. Raters, the employee providing feedback, should participate in training that teaches them how to complete feedback surveys.</p> <p>45. Ratees, the employees receiving feedback, should participate in training that helps them understand feedback data.</p> <p>46. Ratees should participate in training that helps them use feedback data to improve performance.</p> <p>47. Ratees need assistance interpreting feedback data.</p>
<p>Rater Variance</p> <p>Conflicting views of performance</p> <p>Trimmed mean scoring</p>	<p>48. Because 360° feedback incorporates data from many different perspectives, it is possible that employees may receive conflicting views of their performance.</p> <p>49. Organizations utilizing 360° feedback should use trimmed mean scoring, which discounts extreme high and low responses.</p>

Chapter V

Results

Introduction

The previous chapter explained the research design and the process followed through data collection and analysis. This chapter discusses the results of the survey distributed to Human Resource directors in the 36 largest Texas state agencies and reports the results of the data analyses. Results for each conceptual category will be presented and discussed separately. (See Tables 5.1 – 5.8). A summary of the survey results and suggestions for additional research will be provided in the concluding chapter.

Organizational Culture

Percent responses regarding Organizational culture

Table 5.1

SA=Strongly Agree (2) A=Agree (1) N=Neutral (0) D=Disagree (-1) SD=Strongly disagree (-2)							
Question	SA	A	N	D	SD	No. of responses	Mean
Predictor of success or failure	75%	25%				100%	1.75
	15	5				20	
Trust	70%	30%				100%	1.70
	14	6				20	
Open communication	75%	15%	10%			100%	1.65
	15	3	2			20	
Sommation of category	73.33%	23.33%	3.33%	0%	0%	100%	1.70
	14.67	4.67	.67	0	0	20	

Table 5.1 reveals Human Resource directors' beliefs that organizational culture is a strong predictor of the success or failure of 360° performance evaluations systems. Organizations possessing trust are also believed to be more likely to support 360 systems by 100% of respondents. A small number of respondents are neutral with regard to open communication, although the majority strongly agree that organizations possessing open communication are more likely to support 360 than those characterized by fear. With a summary score of 1.70, by and large, there is strong agreement with regard to the survey items comprising Organizational Culture.

Anonymity

Percent responses regarding Anonymity

Table 5.2

SA=Strongly Agree (2) A=Agree (1) N=Neutral (0) D=Disagree (-1) SD=Strongly disagree (-2)							
Question	SA	A	N	D	SD	No. of responses	Mean
For raters	30%	35%	5%	20%	10%	100%	.55
	6	7	1	4	2	20	
Raters feel safe	30%	40%	20%	5%	5%	100%	.85
	6	8	4	1	1	20	
Lessens fear of retaliation	35%	50%	5%	5%	5%	100%	1.05
	7	10	1	1	1	20	
Distort feedback scores	35%	40%	15%	5%	5%	100%	.95
	7	8	3	1	1	20	
Inflates ratings	10%	70%	10%	5%	5%	100%	.75
	2	14	2	1	1	20	
Impacts reliability	20%	65%	10%	5%		100%	1.00
	4	13	2	1		20	

Impacts validity	16%	158%	21%	5%		100%	.84
	3	11	4	1		19	
Safeguards to protect	40%	40%	15%		5%		1.10
	8	8	3		1	20	
Summation of category	27%	49.75%	12.63%	6.25%	4.38%	100%	.89
	5.38	9.88	2.5	1.25	.88	19.89	

As displayed in Table 5.2, over half (65%) of the directors agree that successful 360 systems require anonymity for raters, although 20% disagree and 10% strongly disagree. A solid majority believe that respondents require anonymity to feel safe in providing feedback and that anonymity lessens fears of retaliation. Human Resource directors believe that the absence of anonymity will impact ratings: 75% think that the absence of anonymity would distort ratings and 80% feel that a lack of anonymity would inflate ratings. There is agreement that low participation rates impact the reliability (85%) and validity (74%) of 360° feedback. A vast majority also agree that safeguards should be implemented to protect the anonymity of raters. In general, Human Resource directors agree with the items in the **Anonymity** category based on a summary score of .89.

Utilization

Percent responses regarding Utilization: Development only

Table 5.3

SA=Strongly Agree (2) A=Agree (1) N=Neutral (0) D=Disagree (-1) SD=Strongly disagree (-2)							
Question	SA	A	N	D	SD	No. of responses	Mean
Not share with supervisor	5%	25%	5%	40%	25%	100%	-.55
	1	5	1	8	5	20	
Not include for evaluation	25%	45%	15%	15%		100%	.80
	5	9	3	3		20	
Accept if used only for	20%	55%	20%	5%		100%	.90
	4	11	4	1		20	
Less likely to use if only for	10%		20%	60%	10%	100%	-.60
	2		4	12	2	20	
Summation of category	15%	31.25%	15%	30%	8.75%	100%	.14
	3	6.25	3	6	1.75	20	

Table 5.3 presents the attitudes of Human Resource directors with regard to utilizing 360° performance evaluations only for employee development. The majority indicate that feedback used only for development should be shared with the supervisor although 70% feel that feedback data for development should not be included in performance appraisals. Seventy-five percent feel that employees would be more likely to accept 360 feedback if it were used only for development with 20% remaining neutral and one respondent disagreeing. A smaller majority disagree that employees would be less likely to use 360° feedback if it were only used for development. Overall, Human Resource directors agree with the items in the **Utilization: Development Only** category although the mean is close to zero (R=.14).

Percent responses regarding Utilization: Performance

Table 5.4

SA=Strongly Agree (2) A=Agree (1) N=Neutral (0) D=Disagree (-1) SD=Shongly disagree (-2)							
Question	SA	A	N	D	SD	No. of responses	Mean
Use data for evaluation	5%	35%	30%	30%		100%	.15
	1	7	6	6		20	
More apt to use		30%	35%	35%		100%	-.05
		6	7	7		20	
Inflate ratings	15%	60%	15%	10%		100%	.80
	3	12	3	2		20	
Summation of category	6.67%	41.67%	26.67%	25%	0%	100%	
	1.33	8.33	5.33	5	0	20	.30

Responses for questionnaire items in the **Utilization: Performance** category show a large dispersion across response categories. For example, 30% of respondents believe that supervisors would use 360° feedback data during performance appraisals, 30% are neutral, 5% strongly agree and 35% agree. A considerable number of Human Resource directors remain neutral in terms of employees being more likely to use 360 feedback **data** when it would be included in the performance appraisal process. The majority of Human Resource directors (75%) believe that employees would inflate ratings if feedback **data** would be used for performance evaluations due to fear of relation for providing low feedback ratings. Based on the overall distribution of scores, the mean demonstrates agreement for the category as a whole although the mean is low ($R = .30$).

Accountability

Percent responses regarding Accountability

Table 5.5

SA=Strongly Agree (2) A=Agree (1) N=Neutral (0) D=Disagree (-1) SD=Strongly disagree (-2)							
Question	SA	A	N	D	SD	No. of responses	Mean
Ensure utilization	30%	55%	10%	5%		100%	1.10
	6	11	2	1		20	
Accurate/fair evaluations	35%	45%	20%			100%	1.15
	7	9	4			20	
Set goals	15%	75%	10%			100%	1.05
	3	15	2			20	
Raters weigh participation	5%	80%	15%			100%	.90
	1	16	3			20	
Return for input	20%	55%	15%	10%		100%	.85
	4	11	3	2		20	
Training to set goals	25%	70%	5%			100%	1.20
	5	14	1			20	
Training to develop action plans	25%	70%	5%			100%	1.20
	5	14	1			20	
Action plans soon after feedback	30%	70%				100%	1.30
	6	14				20	
Repeated measures	25%	75%				100%	1.25
	5	15				20	
Positive reinforcement/recognition	55%	45%				100%	1.55
	11	9				20	
Rewards linked to desired behaviors	20%	65%	15%			100%	1.05
	4	13	3			20	
Rewards linked to organizational expectations	20%	55%	15%	10%		100%	.85
	4	11	3	2		20	
Reward supervisors	15%	45%	25%	15%		100%	.60
	3	9	5	3		20	

Communicating goals	20%	75%	5%			100%	1.15
	4	15	1			20	
Discussing results	20%	75%	5%			100%	1.15
	4	15	1			20	
Summation of category	24%	63.67%	9.67%	2.67%	0%	100%	1.09
	4.8	12.73	1.93	.53	0	20	

Table 5.5 reveals Human Resource directors' strong beliefs that measures should be implemented to ensure accountability in the 360° performance evaluation process. Some 85% of respondents agree that the 360° process should include mechanisms to ensure utilization of feedback data to improve performance. A vast majority (80%) of directors believe that the 360° process should include measures to ensure that raters provide accurate and fair evaluations. An even stronger majority (90%) support goal setting theory by reasoning that employees would be more likely to use feedback data if they are required to set performance improvement goals. Human Resource directors also support expectancy theory, which maintains that an individual will act in a certain way based on the strength and attractiveness of the expected outcome, with 85% agreeing that raters weigh participation in the 360° process in terms of the probability of their participation leading to desired outcomes. A somewhat less strong number (65%) believe that raters expect something in return for their input.

Human Resource directors agree by a solid majority (95%) that ratees should participate in training that teaches them to set specific performance goals and develop formal action plans. Interestingly, 100% of respondents agree that action plans developed soon after receiving feedback increase the likelihood that those

receiving feedback would use the feedback to improve. All Human Resource directors agree that repeating the 360 process on a regular basis promotes accountability for closing performance gaps. Respondents also believe that positive reinforcement or recognition is necessary to reinforce new behaviors.

Directors feel that 360° performance evaluation systems should include rewards for continuous improvement linked to desired behaviors. A small number of respondents remain neutral on this question. The range of responses for including rewards for continuous improvement linked to organizational expectations varies: 20% strongly agree, 55% agree, 15% neutral and 10% disagree. Responses also vary in **terms** of rewarding supervisors for providing adequate resources for subordinate development with 15% strongly agreeing, 45% agreeing, 25% neutral and 15% disagreeing. As demonstrated by Table 5.5, directors believe that communicating goals and discussing feedback results with a skilled facilitator increases the likelihood that feedback **will** be used to improve performance. Human Resource directors generally agree with the items in the **Accountability** category ($\bar{x} = 1.1$).

Resources

Percent responses regarding Resources

Table 5.6

SA=Strongly Agree (2) A=Agree (1) N=Neutral (0) D=Disagree (-1) SD=Strongly disagree (-2)							
Question	SA	A	N	D	SD	No. of responses	Mean
Behavior change through encouragement	40%	55%	5%			100%	1.35
	8	11	1			20	
Behavior change through support	35%	65%				100%	1.35
	7	13				20	
Use feedback with resources	25%	70%	5%			100%	1.20
	5	14	1			20	
Do not know what to do with feedback	5%	58%	26%	11%		100%	.58
	1	11	5	2		19	
Provide assistance with feedback	40%	50%	10%			100%	1.30
	8	10	2			20	
Summation of category	29%	59.6%	9.2%	2.2%	0%	100%	1.16
	5.8	11.8	1.8	.4	0	19.8	

Table 5.6 reveals Human Resource directors' thoughts regarding Resources.

A vast majority believe that behavior modification is more likely to occur if it is encouraged by the organization. 100% regard behavior change as more likely to occur if supported by the organization. A slightly smaller number (95%) reason that when organizations devote resources to support feedback, ratees are more inclined to use feedback to improve performance. The range of responses vary in terms of people not knowing what to do with 360° feedback: 5% strongly agree, 58% agree, 26% neutral and 11% disagree. A large majority (90%) agree that organizations

utilizing 360° should provide assistance with the interpretation of feedback. For questions comprising the **Resources** category, respondents agree ($\bar{x} = 1.16$).

Training

Percent responses regarding Training

Table 5.7

SA=Strongly Agree (2) A=Agree (1) N=Neutral (0) D=Disagree (-1) SD=Strongly disagree (-2)							
Question	SA	A	N	D	SD	No. of responses	Means
To use 360 process	40%	60%				100%	1.40
	8	12				20	
Ability to rate	15%	65%	5%	15%		100%	.80
	3	13	1	3		20	
Impacts use for development	25%	55%	10%	10%		100%	.95
	5	11	2	2		20	
Impacts use for evaluation	25%	60%	5%	10%		100%	1.00
	5	12	1	2		20	
Effort exerted by raters	10%	35%	40%	15%		100%	.40
	2	7	8	3		20	
To complete surveys	40%	55%	5%			100%	1.35
	8	11	1			20	
To understand feedback	45%	50%	5%			100%	1.40
	9	10	1			20	
To use feedback	50%	45%	5%			100%	1.45
	10	9	1			20	
Assistance with interpreting feedback	50%	40%	10%			100%	1.40
	10	8	2			20	
Summation of category	33.33%	51.67%	9.44%	5.56%	0%	100	1.13
	6.66	10.33	1.89	1.11	0	20	

Table 5.7 reflects the opinions of Human Resource directors regarding **training** in the 360° performance evaluation process. The majority of the opinions are favorable. 100% of respondents agree that employees need help in learning how to use the 360° performance evaluation process. A strong majority (80%) think that raters consider their ability to rate effectively when deciding whether to participate in the 360° evaluation process, although a small number disagree. Human Resource directors agree that feedback becomes less useful for development (80%) and evaluative (85%) purposes when participation rates decline. Less than half (45%) agree that the amount of effort exerted by raters in providing feedback data is directly correlated to their ability to perform the task effectively while 40% are neutral and 15% disagree. Ninety five percent feel that ratees should participate in training that helps them understand feedback data. Similarly, a strong majority believe that raters should participate in training that helps them use feedback data to improve performance. A somewhat less strong number sense that ratees need assistance interpreting feedback data. Human Resource directors agree with the components of the Training category ($\bar{x} = 1.13$).

Rater Variance

Percent responses regarding Rater Variance

Table 5.8

SA=Strongly Agree (2) A=Agree (1) N=Neutral (0) D=Disagree (-1) SD=Strongly disagree (-2)							
Question	SA	A	N	D	SD	No. of responses	Means
Conflicting views of performance	35%	55%	5%	5%		100%	1.20
	7	11	1	1		20	
Trimmed mean scoring	10%	55%	30%	5%		100%	.70
	2	11	6	1		20	
Summation of category	22.5%	55%	17.5%	5%	0%	100%	
	4.5	11	3.5	1	0	20	.95

In terms of **rater variance**, Human Resource directors believe that employees should expect conflicting views of performance. Although no responses reflect strong disagreement, one respondent disagrees and another remains neutral. While the majority of respondents believe that organizations utilizing **360°** systems should incorporate trimmed mean scoring, **30%** are neutral and one respondent disagrees. For items in the **Rater Variance** category, respondents generally agree ($\bar{x} = .95$).

Chapter Six will conclude this study by presenting a summary of the results, insights as to the interpretation of the results and recommendations for future research.

Chapter VI

Conclusion

Introduction

The purpose of this chapter is to review summaries of the results and offer a brief discussion with regard to the interpretation of the findings. Summary tables are organized according to the seven conceptual categories in the conceptual framework: organizational culture, anonymity, utilization, accountability, resources, training and rater variance. Table 6.1 provides a summary for every question within the appropriate category while Table 6.2 displays the arithmetic means for each category created by collapsing the means for questions within each category. The scale is constructed so that summary scores exceeding 1.5 signify strong agreement, means between 1 and 1.5 indicate agreement and positive means below 1 imply weak agreement. Negative numbers denote disagreement. Means below -1.5 imply strong disagreement, means between -1 and -1.5 signify disagreement and negative means greater than -1 but less than 0 suggest weak disagreement. Recommendations for future research and final remarks conclude the chapter and the study.

Summary of Survey Results for each question within each Category

Table 6.1

Question	Mean	Results
Organizational culture		
1. Predictor success/failure	1.75	strong Agreement
2. Trust	1.70	Strong Agreement
3. <i>Open</i> communication	1.65	Strong Agreement
Anonymity		
4. For raters	.55	Weak Agreement
5. Raters feel safe	.85	Weak Agreement
6. Lessens fears of retaliation	1.05	Agreement
7. Distorts scores	.95	Weak Agreement
8. Inflates ratings	.75	Weak Agreement
9. Impacts reliability	1.00	Agreement
10. Impacts validity	.84	Weak Agreement
11. Safeguards to protect	1.10	Agreement
Utilization:		
<i>Development</i>		
12. Do not share feedback data with supervisor	-.55	Weak Disagreement
13. Do not include data during Performance evaluation	.80	Weak Agreement
14. Acceptance if used only for development	.90	Weak Disagreement
15. Less likely to use if solely for development	-.60	Weak Disagreement
<i>Performance</i>		
16. Supervisor will use data during performance appraisals	.15	Weak Agreement
17. More apt to use when included in performance appraisal	-.05	Weak Disagreement
18. Inflate ratings when included in performance appraisals	.80	Weak Agreement
Accountability		
19. Ensure utilization	1.10	Agreement
20. Accurate evaluations	1.15	Agreement
21. Set goals	1.05	Agreement
22. Raters weigh participation	.90	Weak Agreement
23. Raters expect something in return for input	.85	Weak Agreement
24. Training to set goals	1.20	Agreement
25. Training to develop action plans	1.20	Agreement
26. Action plans soon after feedback	1.30	Agreement
27. Repeated measures	1.25	Agreement
28. Positive reinforcement/recognition	1.55	Strong Agreement
29. Rewards linked to desired behaviors	1.05	Agree
30. Rewards linked to organizational expectations	.85	Weak Agreement
31. Reward supervisors	.60	Weak Agreement
32. Communicating goals	1.15	Agreement
33. Discussing results	1.15	Agreement
Resources		
34. Behavior modification through encouragement	1.35	Agreement
35. Behavior modification through support	1.35	Agreement
36. Use feedback with resources	1.20	Agreement
37. Do not know what to do with feedback	.58	Weak Agreement
38. Provide assistance with interpretation of feedback	1.30	Agreement

Training			
39.	To use 360 process	1.40	Agreement
40.	Ability to rate	.80	Weak Agreement
41.	Impacts use for development	.95	Weak Agreement
42.	Impacts use for evaluative purposes	1.00	Agreement
43.	Effort exerted by raters	.40	Weak Agreement
44.	To complete surveys	1.35	Agreement
45.	To understand feedback	1.40	Agreement
46.	To use feedback	1.45	Agreement
Assistance for interpreting feedback		1.40	Agreement
Rater Variance			
47.	Conflicting views of performance	1.20	Agreement
48.	Trimmed mean scoring	.70	Weak Agreement

The findings suggest that, for the most part, the attitudes of Human Resource directors are consistent with those derived from the literature review with regard to organizational culture, anonymity, utilization, accountability, resources, training and rater variance. As displayed in Table 6.1, one area of disagreement surfaces because respondents feel that feedback data should be shared with supervisors while experts in the field recommend the contrary, if the purpose of assessment is purely developmental. Interestingly, respondents also concede that supervisors would use developmental 360° feedback information during performance appraisals. Utilizing feedback intended only for development changes the nature of feedback from developmental to evaluative. The feedback ceases to remain purely developmental since employees would be evaluated based on feedback they believed to be only for development. In addition, supervisors may not have the ability to use the information for development and then ignore the information during performance appraisals.

Another area of disagreement stems from the probability of ratees using 360 feedback. Directors feel that using feedback data solely for development would not lessen the likelihood that employees would use the information. Similarly,

respondents disagreed that employees would be more apt to use feedback data if it were included in performance appraisals. Contrary to the directors' beliefs, the literature revealed a fear that employees may not utilize **360°** feedback if it is intended for purely developmental purposes. For this reason, some scholars recommend incorporating **360** feedback data into the performance appraisal process.

Summary of Survey Results for each Category

Table 6.2

Category	Mean	Results
Organizational culture	1.70	Strong Agreement
Anonymity	.89	Weak Agreement
Utilization:		
<i>Development</i>	.14	Weak Agreement
<i>Performance</i>	.30	Weak Agreement
Accountability	1.09	Agreement
Resources	1.16	Agreement
Training	1.13	Agreement
Rater Variance	.95	Weak Agreement

Although respondents generally agree with the items in each category, the means for each category reveal additional information. Table 6.2 displays the range of means for each category. The strongest agreement was generated by the organizational culture category. Human Resource directors also demonstrated support for the incorporation of accountability mechanisms and for the provision of resources and **training** in the 360° performance evaluation process.

Agreement drops significantly in the utilization category with utilization for purely *developmental* purposes receiving the lowest mean for all categories. Agreement surrounding utilization for *performance* is only slightly higher. As noted in the literature review, utilization of feedback data is a highly debated topic. Some experts maintain that 360° feedback should be utilized for purely developmental purposes while others argue that feedback data will not be utilized

to improve performance unless the data is incorporated into the performance evaluation process. Thus, conflicting results are to be expected.

The anonymity and rater variance categories show means of less than one. In the anonymity category, five individual questions received responses below one. The first maintains that successful 360 systems require anonymity for raters and the second asserts that anonymity allows respondents to feel safe in providing feedback. Responses to these survey questions are surprising given that the literature review found a large number of strong advocates for anonymity to ensure a safe environment in which to provide feedback. Although respondents generally agreed, the results are lower than anticipated.

The third question contends that the absence of anonymity may distort feedback scores employees provide and the fourth asserts that employees may give higher ratings if anonymity is not ensured. As anonymity serves to ensure accurate feedback, the responses are somewhat perplexing. The fifth question maintains that low rater participation impacts the validity of 360° feedback. Interestingly, the same question with regard to reliability received a score of exactly one. These results are understandable given that small sample sizes impact the generalizability of results. Also, 360° performance evaluations are typically structured as behavioral based performance assessment tools analogous to surveys. As noted previously, surveys tend to be reliable but are relatively weak on validity.

The **Rater** variance category also has a mean of less than one. As there are only two question items in this category, each score has a greater impact on the

mean than those categories which are comprised of a larger number of survey items. The question addressing trimmed mean scoring produced a mean of .70 causing the overall mean to drop to **.95**. Plausible explanations include the definition of trimmed mean scoring was not clearly explained in the survey and Human Resource directors are not familiar with its meaning or use.

Recommendations for future research

This study focused on assessing the attitudes of Human Resource directors in Texas state agencies with regard to the 360° performance evaluation process. Future research could focus on organizations actually utilizing the 360° performance evaluation process. There may be organizations using some, but not all, elements of the process. For example, agencies may employ peer review processes but not subordinate or self evaluations. For **this** reason, it would be important to determine which elements or portions of the 360° process state agencies utilize. Also, a subsequent study may focus on a sample representative of all state agencies or may compare and contrast 360° systems in public and private sectors. To summarize, recommendations for additional research include:

- Focus on state agencies utilizing the 360° performance evaluation process
- Identify components of the 360° process agencies utilize
- Utilize population representative of all state agencies
- Compare and contrast the 360° process in public and private sectors

Conclusion

360-degree feedback systems have the potential to improve organizational evaluations by expanding the amount and quality of information included in the performance evaluation process, providing realistic pictures of employees' strengths and weaknesses, and increasing perceptions of fairness associated with the evaluation system. Moreover, 360 systems ~~link~~ individual behavior to organizational values and strategies through the identification of core competencies, provide a mechanism to communicate organizational standards to all employees and provide a means to conduct developmental assessments at both individual and organizational levels. Yet, the potential benefits of 360 systems will not be realized unless several issues are addressed.

First, the culture of the organization must support honest feedback. Assurances of anonymity assist in developing a safe environment in which to provide accurate and factual feedback. Second, utilization, either for performance or development, must be clearly communicated. Third, because accountability is absent in many 360 systems, mechanisms to create an accountable environment buttress raters' responsibility to provide correct feedback and ratees' motivation to take action based on feedback. Fourth, the potential for behavioral change is clearly enhanced by the provision of organizational support and resources, which includes training for both raters and ratees. Finally, as the potential for rater variance is great, controls to mitigate its impact must be implemented or the feedback will not represent the true consensus of the group and has the potential to confound recipients.

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Appendices

Interview with Kay Betz, PhD
Director of Organizational Development and Employee Learning
University of Texas at **Austin**

Culture:

The public sector is not customer driven so they typically do not solicit feedback.. In addition, the public sector is not as participatory, is more authoritarian, is unidirectional (top-down) and is, more often than not, behind the curve in terms of management practices. The more traditional cultures will reflect attitudes not supportive of interactive management. Higher education and state agencies are not supportive of 360 because they don't include employees in problem solving or decision-making.

The public sector grew out of civil service, which was rigid in terms of how people are treated. The public sector is not driven by market forces and does not need to be competitive. There is not much data on TQM in the public sector and drives to improve performance are sporadic attempts at being customer driven that usually occur when someone from the private sector is elected to public office.

The bureaucracy in public sector organizations is structured so that individuals cannot make decisions because the agencies must strictly follow policies and procedures. In the public sector, there may be a disincentive for 360° performance evaluations because there is not peer evaluation process and because the public sector is not team driven. In addition, there is no notion of career progression and there are no career ladders unless the employee is following the civil service track.

One example of the introduction of a new performance management system in the public sector that may be somewhat similar to the implementation of 360° systems would be the 10-20 years of experimentation with MBO. However, MBO is not necessarily associated with Performance Evaluations in that they are not driven down to the individual level.

Culture is important because of the strong chain of command in the public sector. Public organizations, especially health care organizations have a strong military medical model and require approval at every step. In Texas, there are a lot of ex-military employees that do not promote participative management.

In the private sector, the person at the top controls the culture, which is often a "performance driven culture" with accountability based on goals, teamwork and collaboration. Performance is developed, reinforced and rewarded. Accountability cascades down through information, communication and training. Often there is an "opening up of" policies and procedures, including guarantees of confidentiality and anonymity.

Anonymity:

In the public sector, employees would have more of a sense of protection because they have a perception of not being fired. The public sector is safer in terms of actual protection from termination or disciplinary action because of laws including the Whistleblowers Act and protection from retaliation. Therefore, employees would feel safer providing feedback.

Training:

The public sector does not usually have the resources to purchase systems off the shelf. Off-the-shelf systems are expensive.

Accountability:

There is no accountability in the public sector to improve in terms of personal development. The goals for organizations may contain deliverables for budgetary purposes but not necessarily at the individual level. Communicating goals with a skilled facilitator would not increase accountability. Repeated measures may increase salience of results to a certain extent.

Expectancy theory:

People in the public sector do not necessarily expect something for their input.

Rater variance:

It is to be expected. There would not be a difference between public and private with regard to rater variance.

Resources:

The public sector does not have enough resources. In the private industry, resources are more readily available. Executives drive private sector organizations and 360° systems are implemented for profit purposes. It is ironic because there is an authoritarian directive that quality, team-based work functions and 360 will be implemented. In addition, there are more controls on management practices in the private sector from the top.

The private sector has more money to implement 360 systems and managerial level employees at least "go through the motions" because there is a directive from the top. In the public sector, there is no accountability and it is easier to be resistant.

Public sector organizations do not track performance evaluations. Often, performance evaluations are conducted sporadically and not according to a particular timeframe. There seems to be more of a concern with using the wrong form than with the quality of the evaluation and performance evaluations are not tied

to reward or development. There are some exceptions such as DHS and TxDOT where specific types of quality, including performance evaluations, are written into funding requirements. In these organizations, performance appraisals are required to ensure accountability and deliverables.

The new trend in the public sector is the Balances Score Card. This system is supposed to create accountability and performance. It is more business oriented because there is more emphasis on performance. The money spent on bureaucracies is measured against their performance. The State Auditor's Office is using it.

The problem with implementing any new performance evaluation system in the public sector is that there are a lot of politics involved caused by conflicting desires.

Individual leaders:

Individual leaders are the strongest variable in terms of the success or failure of the 360° process, even more than culture. Leaders who request the 360° process want to develop individuals or have had some failure and want to learn and try new things.

The process is harder to implement in the public sector because the culture is less supportive and hampers experimentation and performance improvement.

To successfully implement the process in the public sector, it is necessary to avoid, or work around, the bureaucracy.

The public sector is also more political. People are attempting either to survive or make a name for themselves. They either make a big splash or make no waves at all. If they are interested merely in surviving, they don't want to leave an imprint so they will not try anything new because of the competing factions within the organization. It has been my experience that there are more people in the public sector who are self-serving.

Personal experience:

Public sector organizations that have attempted 360 try to integrate the 360 system into the current system, while private sector organizations completely replace the old system with the new 360 system. Successful implementation of 360 in the public sector requires a revision of the current performance evaluation system and form to include 360. Parallel systems do not work. Neither system will be successful if one system is utilized for merit and another for development. 360 must be integrated into the legacy system. Performance evaluations in the public sector are rarely used for development. Instead they are used to justify merit increases. In traditional performance evaluation systems, there is not a developmental section on performance evaluation forms. The 360° process will work best when an external expert works to systematically integrate it into the organization.

The top leader should participate in the process, model appropriate behavior and tie rewards to behaviors the organization values, and not just technical expertise. Doing the right thing should be tied to rewards.

Development, performance and reward should all be tied together. However, most people do not like development just for the sake of development. They like it because it promotes reward and recognition. Most people are extrinsically, not intrinsically motivated. Work ethic and achievement motivation are not tied together. But, these are flaws of organizational life.

The culture should promote accountability at individual, group and organizational levels. In addition, management controls, checks and monitoring devices and support are necessary. Barriers must also be removed. There should also be some sort of protection for those experimenting with 360 if it is not implemented throughout the organization. Implementing 360° only in some portions of the organization is more likely to occur in the public sector.

My observation has been that there is a lot more positive morale in the private sector. In the public sector, there is a lot more depression because it has a punishing rather than a reinforcing culture.

TDH

We implemented 360° in 5 or 6 large departments with about 1500 – 2000 employees. It was incorporated into quality and Organizational Development work. The successful departments were successful based on the leadership of the individual experimenting with it.

It was a constant process of educating the Human Resources staff to keep them out of the way.

In the beginning, people were concerned about the measures being tied to rewards. It is best to take one step at a time and to not tie 360° feedback to rewards at first. Then, peer feedback may be included in the reward structure at the end of a project but there should be clear performance expectations delineated at the beginning of a project and there should also be a specific percentage or weight attached to peer feedback and a certain percent tied to supervisor input. For example, the supervisor may still account for 50% of the input that will be incorporated into rewards. In addition, cost and peer feedback should be tied together. Interestingly, heavy customer feedback has been less threatening than peer feedback.

UT:

At UT, 360° performance evaluations work best in auxiliary departments, such as printing, the Dana center, House and Food, portions of the Physical Plant, that have

semi-private sector characteristics. Academic departments are not typically successful with 360. One exception would be the Office of Accounting, which was successful because it has external variables impacting its business so they were able to build criteria for performance measurement and improvement.

Again, for UT departments to be successful, they need a strong leader who is teachable and who wants good management in their department or who wants good performance in spite of the bureaucracy. The department should be driven by external factors, for example, customers.

Working in spite of bureaucratic barriers requires memos requesting the approval of departmental reorganizations and additional groundwork "get the bureaucracy out of the way". Policies and procedures supporting bureaucracy do not support interactive management.

In some departments there are a muddling of resistant people. Most are long-term employees but they are not necessarily the good employees. They are employees who do not want to "rock the boat" and/or those who do not want to change what they are doing on a daily basis.

Customer feedback systems should be tied to performance indicators. Public sector organizations often require 360° systems to be created in-house while private sector organizations can buy standardized systems that have been validated. For example, at Beverly, a Health Care Organization, I used to work for, we were able to purchase an intact system.

City of Austin

When Camille Barnett was at the City, she made it seem like they were doing 360, but the basic premise of the system "never ran deep". The directive did not come from City Council or customers so the entire initiative had the superficial trappings of doing 360. The management system did not support it and did not have controls in place to make the process successful.

In the private sector, teams meet to look at figures like loss prevention and departmental shrink. In addition, private sector utilizes rotational leadership. As a result, there is data that can be tracked and tied to feedback. The 360 system becomes a part of management practices. It is an attempt to change the culture to put specific behaviors in place and the feedback scores from 360 measure how well employees are embracing the change.

Example of Organizational Climate Survey

1. The organization values input and participation in decision-making.	1 SA	2 A	3 N	4 D	5 SD
2. Cooperation is evident among employees from different units or departments.	1 SA	2 A	3 N	4 D	5 SD
3. There is little fear of speaking up.	1 SA	2 A	3 N	4 D	5 SD
4. Employee attitudes are quite positive about working here.	1 SA	2 A	3 N	4 D	5 SD
5. High ethical standards are evident among employees at all levels.	1 SA	2 A	3 N	4 D	5 SD
1. Favoritism in reward and punishment decisions is rarely evident.	1 SA	2 A	3 N	4 D	5 SD
2. I believe my peers have valuable information about my performance.	1 SA	2 A	3 N	4 D	5 SD
3. I believe my subordinates have valuable information about my performance.	1 SA	2 A	3 N	4 D	5 SD
4. Decisions in this organization are rarely based on hearsay.	1 SA	2 A	3 N	4 D	5 SD
5. Employees are trusted to get the job done.	1 SA	2 A	3 N	4 D	5 SD

Reproduced from "Accountability in 360-degree feedback: Is it time to take the 360-degree feedback method to the next step?" Atwater, Leanne and David Waldman, 1998.

Survey

<i>Organizational</i> culture	1. Organizational culture is a strong predictor of the success or failure of the implementation of 360° feedback systems.	SA A N D SD <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
	2. Organizations possessing trust are more likely to support 360° processes than organizations characterized by distrust.	SA A N D SD <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
	3. Organizations possessing open communication are more likely to support 360° processes than organizations characterized by fear.	SA A N D SD <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
Anonymity	4. Successful 360 systems require anonymity for those providing feedback.	SA A N D SD <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
	5. Anonymity allows respondents to feel safe in providing feedback.	SA A N D SD q <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
	6. Anonymity lessens fears of retaliation for providing low ratings.	SA A N D SD q <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
	7. The absence of anonymity may distort the feedback scores employees provide.	SA A N D SD <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
	8. Appraisers may give higher ratings if they can be identified.	SA A N D SD q <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
	9. Low rater participation impacts the reliability of 360° feedback.	SA A N D SD q <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
	10. Low rater participation impacts the validity of 360° feedback.	SA A N D SD <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
	11. Organizations utilizing 360° feedback should implement safeguards to protect the anonymity of raters.	SA A N D SD q <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
Utilization: Development	12. If feedback data is used only for development, it should not be shared with the supervisor.	SA A N D SD <input type="checkbox"/> q q <input type="checkbox"/> <input type="checkbox"/>

	13. If feedback data is used only for development, ratings should not be included in performance appraisals.	SA A N D SD <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
	14. Employees will be more accepting of 360° feedback data if ratings are used solely for development.	SA A N D SD <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
Utilization: Performance	15. Employees are less likely to use 360° feedback data when it is used only for development.	SA A N D SD <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
	16. If 360° feedback data is shared with the supervisor, the supervisor will use the data during performance appraisals.	SA A N D SD <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/>
	17. Employees are more likely to use 360° feedback data when it will be included in the performance appraisal process.	SA A N D SD <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
	18. Employees may inflate ratings when 360° feedback is included in the performance appraisal process because they fear retaliation for low ratings.	SA A N D SD <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
Accountability	19. The 360° process should contain mechanisms to ensure that those receiving feedback data use the data to improve performance.	SA A N D SD <input type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/>
	20. The 360° process should include mechanisms to ensure that raters provide accurate and fair evaluations.	SA A N D SD <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/>
	21. Employees will be more likely to use feedback data if they are required to set performance improvement goals.	SA A N D SD <input type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
	22. Raters, those providing feedback data, will weigh participation in the 360° process in terms of the probability of their participation leading to desired outcomes.	SA A N D SD <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>

	23. Raters expect responses, or something in return, for their input.	SA A N D SD <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
	24. Ratees should participate in training that teaches them how to set specific improvement goals.	SA A N D SD <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
	25. Ratees should participate in training that teaches them how to develop formal action plans.	SA A N D SD <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
	26. Action plans developed soon after feedback reports are received increase the likelihood that those receiving the feedback will use the feedback to improve.	SA A N D SD <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
	27. Repeating the 360° process on a regular basis promotes accountability for closing performance gaps.	SA A N D SD <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
	28. Positive reinforcement or recognition is necessary to reinforce new behaviors.	SA A N D SD <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
	29. 360° systems should include rewards for continuous improvement linked to desired behaviors.	SA A N D SD <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
	30. 360° systems should include rewards for continuous improvement linked to organizational expectations.	SA A N D SD <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
	31. Supervisors, who are expected to support employees' improvement efforts, should be rewarded for providing adequate resources for subordinate development.	SA A N D SD <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
	32. Communicating goals with a skilled facilitator or mentor increases the likelihood that feedback data will be used to improve performance.	SA A N D SD <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>

	33. Discussing results with a skilled facilitator or mentor increases the likelihood that feedback data will be used to improve performance.	SA A N D SD <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
Resources	34. Behavior modification is more likely to occur if it is encouraged by the organization.	SA A N D SD <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
	35. Behavior modification is more likely to occur if it is supported by the organization.	SA A N D SD <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
	36. When organizations devote resources to support feedback, ratees are more inclined to use feedback to improve performance.	SA A N D SD <input type="checkbox"/> U U U U
	37. People do not generally know what to do with the 360° feedback they receive.	SA A N D SD <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
	38. Organizations utilizing 360° feedback should provide assistance with the interpretation of feedback.	SA A N D SD U U U U
Training	39. Employees need help in learning how to use the 360° process.	SA A N D SD <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
	40. Raters consider their ability to rate effectively as one factor in deciding whether to participate in the 360-evaluation process.	SA A N D SD <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
	41. When participation rates decline, feedback becomes less useful for development purposes.	SA A N D SD <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
	42. When participation rates decline, feedback becomes less useful for evaluative purposes.	SA A N D SD <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>

	43. The amount of effort raters exert in providing feedback data is directly correlated to their ability to perform the task effectively.	SA A N D SD <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
	44. Raters should participate in training that teaches them how to complete feedback surveys.	SA A N D SD <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
	45. Ratees should participate in training that helps them understand feedback data.	SA A N D SD <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
	46. Ratees should participate in training that helps them use feedback data to improve performance.	SA A N D SD <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
	47. Ratees need assistance interpreting feedback data.	SA A N D SD <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
Rater Variance	48. Because 360° feedback incorporates data from many different perspectives, it is possible that employees may receive conflicting views of their performance.	SA A N D SD <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
	49. Organizations utilizing 360° feedback should use trimmed mean scoring, which discounts extreme high and low responses.	SA A N D SD <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>