

The Use of Multi-Source Feedback as a Human Resource Management Tool

by

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Abstract. The article is devoted to the Multiple Source Assessment method as a process of Human Resource Management. Several aspects related to the definition of this method and others concerning its importance, purpose, application and feedback are presented. This method has been used for personal development at the organizational level, and then has begun to be directed to other purposes related of efficiency and performance. The method is considered revolutionary for human resources' evaluation. It is increasingly used at an international level, with a growing prevalence. Recently, it has also begun to be used in the Romanian companies.

Key words: multiple source assessment, human resource management, performance.

JEL classification: M12, M51

1 Introduction

The Multi-Source Feedback, also known as the 360-degree Feedback, is a process which includes self-assessment and evaluation from supervisor, peers and direct subordinates, in order to point out their own perception, the others' perceptions, and especially, the differences between them. Its use in the field of Human Resources Management has gained increasing popularity in recent years, along with the increasing awareness of issues such as:

- Perception defines reality and the method facilitates the knowledge of others' perceptions;
- Feedback is essential for learning and development;
- It provides benchmarks, eventually new ones, for better self and mutual understanding;
- It provides valuable information for performance and career development;
- It highlights the critical areas of development, the steps for professional growth;
- It improves communication within the company;
- The company has everything to gain from developing its own employees;
- It provides information on developing those skills that help the company meet its goals;
- It puts forth the actual training needs.

2 Purpose

Originally used mainly for *personal development*, the Multi-Source Feedback has begun to be increasingly geared towards other goals, and especially that of *performance evaluation*. Its clear defining is essential, since there is a number of model and process differences between the two approaches which decisively determine the further steps to be followed and make it difficult to combine them. Some of them are found in the table below:

Table 1. Comparison between the two approaches of Multi-Source Feedback

Approach for personal development	Approach for performance assessment
The questionnaire is structured according to a model of leadership	The questionnaire is structured according to the relevant skills
The questions mainly investigate how to achieve something - <i>How?</i>	The questions mainly investigate what has been achieved - <i>What?</i>
The assessment results are confidential	The assessment results are available to the managers
The subject makes the respondents' selection	The manager is involved in the respondents' selection
The ultimate goal is self-knowledge, as well as dialogue	The ultimate goal is taking informed administrative decisions

It is recommended that when first applying this assessment method, its purpose should be

personal development and it should not have administrative consequences (particularly influencing the level of the compensation package). Along with growing familiarity and confidence to the method, its application could be more easily expanded to include performance assessment. Some arguments in this regard include:

- The probability of inducing a state of anxiety to the subjects as well as to the other employees;
- The tendency to reject this method of evaluation, by both the manager (lack of trust) and the employees (which would be affected by the manager's consequent decisions);
- The sincerity of the responses could be affected;
- A defensive attitude of the subject and his/her lack of receptivity to the received feedback.

3 Main criteria

According to the defined purpose of the multiple source assessment, the criteria retained for the assessment applying will be established. It should be noted that in establishing these criteria it is essential that they should be adapted to the specificity of the company and the expressed needs and wishes of the subject. Also, in order to obtain a more complete picture, while the investigation will focus on behaviour - easier to assess – some other items may be also introduced in order to investigate the degree of performance achievement, and consequently, more complete information may be obtained, including: *behaviour*, *results* and *potential*.

Based on these considerations, a list of criteria is further proposed, which are considered significant, especially targeting leadership behaviour, while the last two focusing on the achievement of the performance targets, and respectively, on the potential for personal development. The criteria and definitions suggested for the assessment will be therefore:

- Leadership

Essentially captures the influence on others in the organizational context, in order to achieve

the organization's objectives. The ability to establish lines of development and action and to mobilize others in this respect, through motivation, inspiration and the force of personal example are especially concerned.

Examples of affirmations related to the criterion "Leadership", associated to a scale from 1 corresponding to "Never" to 10 associated to "Always", that can be included in the questionnaire:

- Demonstrates a clear vision upon the future direction;
- Provides a clear understanding of the directions and goals;
- Determines interest, enthusiasm, commitment in others;
- Determines the others to give their best;
- Is a good example for others, combining professional standards, performance and integrity.

- Communication

Communication skills refer to the reception, processing and delivering messages. These involve encoding the message so that the receiver can easier perceive it, effectiveness of information presentation and collection, active listening, use and understanding of nonverbal language, as well as transmission of appropriate feedback.

Examples of affirmations related to the criterion "Communication", associated to a scale from 1 corresponding to "Never" to 10 corresponding to "Always", that can be included in the questionnaire:

- Transmits verbal messages in a clear, concise, structured way;
- Transmits written messages in a clear, concise, structured way;
- Adapts the message depending on the situation and interlocutor;
- Makes sure that the transmitted message has been understood;
- Requests and is receptive to ideas, suggestions, opinions;
- Asks questions for clarification and additional information;
- Listens carefully and provides interest.

- Planning and organization

Planning and organization refer to defining actions, projects and processes in order to accomplish the objectives, which have as directly observable dimensions: the efficiency of the established and implemented action plans, time management skills, ability to identify and plan solutions to potential obstacles.

Examples of affirmations related to the criterion “Planning and organization”, associated to a scale from 1 corresponding to “Never” to 10 corresponding to “Always”, that can be included in the questionnaire:

- Sets clear and realistic action plans;
- Distributes tasks and responsibilities fairly and equitably;
- Realistically appreciates the required time and effort;
- Identifies priorities and brings them out in due time;
- Anticipates potential problems and prepares appropriate solutions.

- Decision making

Decision-making skills are an essential requirement for a managerial post, as making decisions is actually a cornerstone of the management. The ability to make quality decisions involves adherence to certain principles concerning the decision’s rationality - such as foundation, opportunity, completeness, clarity – assuming responsibility and complying with the decision-making stages.

Examples of affirmations related to the criterion “Decision making”, associated to a scale from 1 corresponding to “Never” to 10 corresponding to “Always”, that can be included in the questionnaire:

- Makes timely decisions, by taking into account the priorities;
- Easily and clearly explains and justifies the decisions taken;
- Gathers all the appropriate information before taking a decision;
- Objectively evaluates alternatives and possible consequences;

- Confidently decides for the best option;
- Assumes responsibility for his/her own decisions;
- Adopts unpopular decisions when necessary.

- Collaboration and teamwork

The criterion seeks to bring together the main skills related to good interaction with others, cooperation, motivation and coaching. These issues can be separated into different criteria – for example, networking, motivation, coaching – according to the differences between them.

Examples of affirmations related to the criterion “Collaboration and teamwork”, associated to a scale from 1 corresponding to “Never” to 10 corresponding to “Always”, that can be included in the questionnaire:

- Treats people fairly and openly;
- Collaborates with others to optimize their own and the organization’s performance;
- Provides constructive, appropriate feedback, focused on performance;
- Encourages and supports the others’ personal development;
- Motivates the others through a number of ways;
- Demonstrates diplomacy and tact for poor performance or inappropriate behaviour;
- Efficiently settles conflicts.

- Negotiation

Negotiation skills refer to the manner in which the subject approaches and completes the process of reaching a mutually beneficial agreement. Essentially, the targeted aspects for investigation include careful preparation and planning, by gathering information, identifying interests, options, alternatives, etc., persuasion abilities, by persistence, personal integrity, applying exchange and compromise, as well as the manner of concluding the negotiation.

Examples of affirmations related to the criterion “Negotiation”, associated to a scale from 1 corresponding to “Never” to 10 corresponding

to “Always”, that can be included in the questionnaire:

- Anticipates counter-arguments and identifies solutions to respond;
- Manages to see things from the other’s point of view;
- Influences others to look at things from his/her own perspective;
- Is convincing and converts others to his/her own point of view;
- Manages to create an environment of trust and cooperation for the mutual benefit;
- Makes concessions and compromises in order to reach a mutually beneficial solution.

- Initiative, creativity and innovation

Especially related to the leadership abilities, this criterion refers to the capacity of generating innovative ideas and solutions and implementing them, of promptly identifying and responding to the forces that require changes, of surpassing one’s own resistance to change.

Examples of affirmations related to the criterion “Initiative, creativity and innovation”, associated to a scale from 1 corresponding to “Never” to 10 corresponding to “Always”, that can be included in the questionnaire:

- Generates innovative ideas and solutions;
- Actively seeks more effective ways to achieve the goals or to improve performance;
- Quickly identifies solutions to problems;
- Identifies and values new opportunities;
- Reacts promptly and positively to changing circumstances;
- Is ready to experiment and take calculated risks.

- Results orientation

As an indicator measuring performance, results orientation is often an essential criterion for personnel assessment in order to determine the level of compensation package, reflecting the degree to which the subject essentially gets results and achieve the objectives, especially in the case where a number of obstacles have to be

surpassed, by complying to the implementation plans and the key performance indicators.

Examples of affirmations related to the criterion “Results orientation”, associated to a scale from 1 corresponding to “Never” to 10 corresponding to “Always”, that can be included in the questionnaire:

- Achieves the set objectives;
- Achieves positive results for the organization even in difficult situations;
- Overcomes obstacles to successfully achieving the objectives;
- Ensures effective implementation of strategies, policies and action plans;
- Ensures compliance with the performance standards.

- Personal development

It may be a good indicator of an individual's potential, with implications for his/her career management, for example regarding the pace of advancement and flexible career development. The development potential may be reflected in terms of the demonstrated desire, effort and initiative in order to improve, complete and expand one’s own field of knowledge, skills and abilities, but also includes a good knowledge of oneself, of the owned strengths and limitations, as well as being in shape physically and mentally.

Examples of affirmations related to the criterion “Personal development”, associated to a scale from 1 corresponding to “Never” to 10 corresponding to “Always”, that can be included in the questionnaire:

- Regularly seeks to complement and broaden his/her field of knowledge, skills and abilities;
- Is willing to assume duties and responsibilities that would facilitate his/her personal development;
- Asks for feedback on his/her own performance and skills and uses it constructively;
- Learns from his/her own and others’ experience;
- Demonstrates a good knowledge of his/her own strengths and weaknesses;

- Maintains a good physical and mental tonus.

3 Questionnaire construction

For each retained criterion in accordance with the definition set, several questions will be formulated in order to capture the essential aspects, so that they can be observed at all the respondents. It is necessary that the questions' *approach* should focus on how to do (*how?*) for the criteria on issues related to behaviour and on the actual achievements (*what?*) for the criteria used in this purpose.

When constructing the questionnaire, one has to bear in mind that the total *number of questions* should not be too large, a number between 45 and 60 questions being considered reasonable – with 5-7 questions for each criterion, so that the questionnaire can be completed in a reasonable time, about 20 minutes. Otherwise, there is a danger that the respondents get tired and therefore their attention diminishes, the responses lose relevance and the tendency to place all the scores within the interval corresponding to the qualifier "good" may appear.

For each criterion a space can be left for optional comments - clarifications, additions, explanations, etc. - which may complement and refine the numerically quantified feedback, and also may prove even more significant than grades. Also in this respect, certain *open questions* can be included, for example corresponding to the main perceived strengths and weaknesses, and respectively, to other final comments.

The questionnaire should be checked for *validity* and *utility* together with the subject of evaluation. The criteria for verification may be the following:

- Each question should begin with an action verb;
- Each question should relate to observable issues;
- Each question should relate to one sole aspect;
- The language should be clear and concise;

- The investigated issue should be positive and desirable;
- The investigated issue should be important;
- The investigated issues corresponding to each criterion should sufficiently define the respective criterion.

4 Evaluation process preparation

The success of the evaluation process greatly depends on its *full understanding* by all participants. In this respect, it requires a review of the main issues together with the people involved, and also formulating guidelines, providing answers and additional explanations.

Special attention should be given to discussing the issues of confidentiality and access to results. *Confidentiality* of assessment, by delivering unsigned questionnaires, anonymously, with the only indication of the relationship to the subject (superior, colleague, subordinate or self), is important for both the subject and the respondents as it is inherently correlated especially to the possibility of producing a certain degree of anxiety regarding the assessment purpose and data use, as well as to the accuracy and truthfulness of the responses.

Access to the final results may be exclusively reserved to subject or to the subject and the manager, according to the intended purpose of the assessment, that of facilitating personal development or that of performance assessment. The administrator of the assessment should assume the obligation to keep the total discretion regarding the assessment results, with the exception of its beneficiaries.

After ensuring that all the participants have understood the process, some additional information related to providing proper feedback required. Thus, participants will be requested and will be encouraged, verbally and/or in the questionnaire:

- To use the full scale;
- If they can not provide an answer, to skip the question and avoid a scoring located in the centre or in the upper interval;

- To provide any comments they find relevant to each criterion or overall, which can be for example:

- Explanations on the scoring;
- Comments, additional remarks;
- Any other issues they consider important and which were not captured;

It should be particularly insisted on this point, given the importance of any qualitative assessment for completing the feedback and offering added significance.

- To try not to be influenced by friendship or antipathy relationships, providing as much as possible an objective assessment ;
- Not to try to be "nice", as an honest feedback is perhaps the most valuable gift that may be offered to a person.

5 Feedback analysis

In the analysis of the obtained evaluations, generally high scores should not be surprising, since most employees in a company should correspond to this level; otherwise, the firm will likely face a number of efficiency or even survival issues. Moreover, there may be a tendency of the respondents that in the case of the assessments which have personal development as a purpose, to *approach the given characteristics in an absolute, and not a relative way* – by making comparisons to others, as would be likely to happen in the case of a performance evaluation when there is a certain pressure to differentiate between the "good" and the "weak". Such pressure is most likely to influence the assessment received from the superior, normally correlated to his/her position and obligations.

The analysis of the individual responses may reflect *sometimes unexpected differences between the different points of view*. An explanation in this respect - and also for the tendency noted above to avoid marking the highest score - may be using a fairly large scale, providing greater visibility and freedom of choice. Then - taking into account the very essence of the method - people with different positions have different perspectives and access to information. It is recognized that *the results*

obtained from this method may contradict each other and the scores may vary over a large range. This data, even if may be contradictory, must be analyzed in order to find a coherent interpretation.

Furthermore, it should be noted that among the respondents and the subject there may be *compatibilities, closer relations, sympathy, or - to a certain extent - on the contrary*, which leads to quite significant differences among the results provided by the colleagues and subordinates. Even if an objective assessment is desired, it is likely that these issues will influence the provided answers.

Beyond the respondents' identity, *differences in the overall assessments for issues related to the same criterion* can also be seen in some cases. This may indicate that the subject has better developed certain skills related to a single criterion, providing valuable information on a range of development opportunities, which would also have an impact on the overall results. Therefore - but not only – the careful analysis by the subject of the assessments of every aspect related to each criterion is extremely important.

The issues related to *privacy* and *access to information* are essential to an effective evaluation, but may remain problematic for the participants, no matter how many guarantees they would receive. It would be advisable that the persons who administrate such an assessment should be neutral, from outside the company. The use of electronic methods, with data protection systems, providing unique access keys for each user, including the administrator, would also be recommended, since this eliminates the possibility of identifying the respondents.

5 Conclusions

By the benefits it can provide, with the characteristics of the different ways of assessment and the involvement of a large number of people in a short time, the method is becoming increasingly important for the

evaluation and improvement of the people within any type of organizations.

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