**A STUDY ON EFFECTIVENESS OF 360 DEGREE PERFORMANCE APPRAISAL IN BAKGIYAM ENGINEERING PVT. LTD**

Dr. N. Kodhai Nayaki

Professor

Department of Commerce Accounting and Taxation

Dr. N. G. P. Arts and Science College Coimbatore

Ms. Rathika

III B. Com Accounting and Taxation

Dr. N. G. P. Arts and Science College Coimbatore

Ms. Nithyashri G A

III B. Com Accounting and Taxation

Dr. N. G. P. Arts and Science College

**ABSTRACT**

The efficacy of the 360-degree performance appraisal in Bakgiyam Engineering Pvt. Ltd. Through its effect on employee performance, motivation, and professional development. The study collects feedback from various sources—supervisors, peers, subordinates, and clients—to determine the fairness, accuracy, and organizational success impact of the system. Through surveys and interviews, the research determines strengths, challenges, and areas for improvement. The results are designed to improve the appraisal process, promoting a culture of ongoing feedback and growth as well as to support effective performance management practices.

**KEY WORDS:** 360-Degree Appraisal, Employee Performance, Feedback System, Motivation & Development and Performance Management.

**INTRODUCTION**

The 360-degree feedback process relies on the fact that feedback from a number of different viewpoints may be used to provide more balanced, accurate, and useful information regarding the performance of an employee. Through the collection of a broad range of perspectives, it seeks to eliminate biases present when using one only evaluator, such as a supervisor or manager. The feedback is commonly collected using surveys or questionnaires and may serve several purposes, including employee growth, promotion selections, and organizational learning.

**STATEMENT OF THE PROBLEM:**

Effective implementation of 360-degree performance appraisal system at Bakgiyam Engineering Private Limited decides the validity of employee judgments and their complete treatment. The researchers explore the impact of 360-degree performance appraisal on worker levels of performance as well as staff motivation and firm growth. The system is confronted with challenges in terms of precise feedback and issues in implementing it.

**OBJECTIVES OF THE STUDY**

* To determine the level of awareness and satisfaction of the employees regarding the performance appraisal followed in the company.
* To determine the factors that cause to enhance the performance of an employee.
* In order to analyze the efficacy of the relationship among employees and employers at heritage

**SCOPE OF THE STUDY:**

The 360-degree performance appraisal system of Bakgiyam Engineering Private Limited is evaluated to measure its impact on employee performance in conjunction with worker satisfaction and firm growth. This evaluation considers the level of accuracy of feedback combined with equitable practices and skill development and also evaluates bias-related issues and resistance by employees.

**RESEARCH METHODOLOGY**

SOURCES OF DATA:

The present study is reliant on primary and secondary data.

* Primary data

It has been gathered through a formatted questionnaire distributed to 125 respondents.

* Secondary data

Secondary data were gathered from diverse journals, newspapers, magazines, etc.

SAMPLE SIZE

Sample Size utilized in the study was 125 workers of Bakgiyam Engineering Private Limited.

SAMPLE METHOD

By adopting convenient sampling method

TOOLS USED FOR ANALYSIS

Statistical tools utilized for examination of the study are percentage analysis, correlation analysis, chi-square tests and ANOVA

**LIMITATIONS OF THE STUDY**

* Personal relationships, leniency, or halo/horn effect can bias the raters.
* High effort in data collection, analysis, and training is required.
* Employees are likely to resist feedback because they fear criticism or retaliation.

**REVIEW OF LITERATURE**

**1. Smither et al. (2005)** discovered that regular, continuous feedback over time results in long-term behaviour change because it enables people to see patterns in their work and areas where they need to improve. When combined with coaching and tailored to individual developmental action plans, it supplies the direction and support needed for employees to change in the long term.

**2. Bracken & Rose (2011)** mention difficulties in ensuring rater anonymity in 360-degree feedback systems, pointing out that when anonymity is lost, it can affect the candor and utility of the given feedback. Raters can be less truthful if they might be retaliated against or negatively affected by giving constructive criticism, resulting in skewed or diluted appraisals.

**3. Maylett & Riboldi (2017)** emphasized that if 360-degree performance appraisals are to be effective, organizations need to concentrate on three best practices: rater training, follow-up coaching, and embedding feedback in development plans. Rater training makes feedback objective and constructive, reducing bias and misinterpretation.

**ANALYSIS AND INTERPRETATION OF DATA**

**PERCENTAGE ANALYSIS**

**Comparison of Fairness 360-Degree Appraisals and Traditional Supervisor-Only Evaluations**

|  |  |  |
| --- | --- | --- |
| **Comparison between 360-degree appraisals and traditional supervisor-only evaluations** | **Frequency** | **Percentage** |
| Much fairer than supervisor-only evaluation | **28** | **35** |
| Somewhat fairer than supervisor-only evaluation | **22** | **18** |
| About the same as supervisor-only evaluation | **24** | **19** |
| Less fair than supervisor-only evaluation | **44** | **35** |
| **Total** | **125** | **100** |

**Source: Primary data**

**Interpretation:**

The above table indicates that out of 125 respondents, 28% of the respondents prefer much fairer than supervisor-only evaluation, 18% of the respondents prefer somewhat fairer than supervisor-only evaluation, 19% of the respondents prefer about the same as supervisor-only evaluation and 35% of the respondents prefer less fair than supervisor-only evaluation about comparison of fairness of 360-degree appraisals and traditional supervisor-only evaluations.

Most (35%) of the respondents prefer less fair than supervisor-only evaluation about comparison of fairness of 360-degree appraisals and traditional supervisor-only evaluations.

**Improvements using 360-degree appraisal**

|  |  |  |
| --- | --- | --- |
| **Improvements using 360-degree appraisal** | **Frequency** | **Percent** |
| Clear and measurable improvements | 23 | 18 |
| Some adjustments but not significant changes | 20 | 16 |
| To improve, but have not seen much progress | 51 | 41 |
| Improvements based on the feedback | 31 | 25 |
| **Total** | **125** | **100** |

**Source: Primary data**

**Interpretation:**

The above table indicates that out of 125 respondents, 18% of the respondents prefer clear and measurable improvements, 16% of the respondents prefer some adjustments but not significant changes, 41% of the respondents prefer to improve, but have not seen much progress and 25% of the respondents prefer improvements based on the feedback.

Most (41%) of the respondents prefer to improve, but have not seen much progress.

**Results used effectively for development**

|  |  |  |
| --- | --- | --- |
| **Results used effectively for development** | **Frequency** | **Percent** |
| Consistently applied for growth | 49 | 39 |
| Occasionally referenced | 23 | 18 |
| Rarely implemented | 33 | 27 |
| Completely ignored | 20 | 16 |
| **Total** | **125** | **100** |

**Source: Primary data**

**Interpretation:**

The above table indicates that out of 125 respondents, 39% of the respondents consistently applied for growth, 18% of the respondents occasionally referenced, 27% of the respondents rarely implemented and 16% of the respondents completely ignored.

Most (39%) of the respondents consistently applied for growth

**CHI-SQUARE**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Age | What would improve the effectiveness of 360-degree performance appraisals in your organization? | | | | |
| Better training on giving/receiving feedback | Increased confidentiality | More frequent follow-ups on feedback | More structured evaluation criteria | Total |
| 26-35 | 9 | 18 | 12 | 8 | 47 |
| 36-45 | 10 | 7 | 9 | 3 | 29 |
| Above 46 | 5 | 7 | 3 | 5 | 20 |
| Below 25 | 15 | 6 | 4 | 4 | 29 |
| **Total** | 39 | 38 | 28 | 20 | 125 |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Calculated value | Table value | Degree of freedom | Level of significance | Results |
| 13.16 | 16.92 | 9 | 0.05 | Rejected |

**INTERPRATATION**

The table deals with the calculated value of X (13.16) is less than table value (16.92) so the null hypothesis is accepted. Hence it can be concluded that there is no significant relationship between gender of the respondents and awareness of statutory compliances.

**ANOVA**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | Sum of Squares | Df | Mean Square | F | Sig. |
| Between Groups | .485 | 3 | .162 | .112 | .953 |
| Within Groups | 176.372 | 122 | 1.446 |  |  |
| **Total** | 176.857 | 125 |  |  |  |

Since p = 0.953 (which is greater than 0.05), we accept the null hypothesis. This means that there is a no significant difference between employee work experience at the company across the different groups.

**CORELATION**

|  |  |  |
| --- | --- | --- |
|  | **PEARSON CORRELATION** | **SIGNIFICANCE (2-TAILED)** |
| **1INTERPRETATION** | 0.033 | 0.716 |

**INTERPRETATION**

The derived correlation result is 0.033 in Karl Pearson correlation with level of significance (2-tailed) is 0.716. It can be concluded that there is very weak positive correlation between years of experiences and major challenges faces in complying with labor laws and statutory compliances.

**FINDINGS**

1. Most (35%) of the survey participants favor less fair than supervisor-only assessment in comparison of fairness of 360-degree reviews to traditional supervisor-only reviews.
2. Most (41%) of the survey participants favor enhancing but have witnessed not much development.
3. Most (39%) of the survey participants frequently applied for expansion
4. The table deals with the calculated value of X (13.16) is less than table value (16.92) so the null hypothesis is accepted. Hence it can be concluded that there is no significant relationship between gender of the respondents and awareness of statutory compliances.
5. Since p = 0.953 (which is greater than 0.05), we accept the null hypothesis. This means that there is a no significant difference between employee work experience at the company across the different groups.
6. The derived correlation result is 0.033 in Karl Pearson correlation with level of significance (2-tailed) is 0.716. It can be concluded that there is very weak positive correlation between years of experiences and major challenges faces in complying with labor laws and statutory compliances.

**SUGGESTION**

Organizations must have systematic training programs in place to teach employees how to give and receive constructive feedback, as biased or inaccurate feedback was a significant issue identified by most respondents. Organizations should contemplate using a bi-annual cycle of reviewing for improved performance monitoring and growth since the majority of the respondents favored carrying out appraisals every half-year. To mitigate bias in feedback, organizations can implement

**CONCLSION**

The research identifies the strengths and weaknesses of the 360-degree performance appraisal system. A considerable percentage of respondents perceive that the appraisal process does not offer a full or uniform evaluation, which affects its credibility. In addition, feedback bias and the absence of significant improvement from these assessments necessitate more effective training in providing and receiving feedback. In spite of these issues, a high percentage of employees are regularly applying for development, showing a desire to enhance if properly supported. Statistical tests, such as correlation, chi-square, and ANOVA, indicate there are no significant correlations between variables such as gender, experience, and awareness of statutory compliance

**REFERENCES**

1. Heilman, M. E., & Haynes, M. C. (2005). No credit where credit is due: Attributional rationalization of women’s success in male-female teams. Journal of Applied Psychology, 90(5), 905-916.
2. Church, A. H., Rotolo, C. T., & Ginther, N. M. (2015). Leading with 360: Evaluating the impact of multi-rater feedback on leadership development. Consulting Psychology Journal: Practice and Research, 67(1), 3-25.
3. Maylett, T., & Riboldi, J. (2017). \*The 360-degree performance appraisal: Best practices and development strategies\*. Berrett-Koehler Publishers.