360 DEGREE FEEDBACK MODEL: AN ALTERNATIVE FOR EXECUTING A BETTER PERFORMANCE APPRAISAL SYSTEM

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Abstrak

Penilaian kinerja (*performance appraisal*) anggota organisasi adalah aktivitas wajib dan rutin dilakukan organisasi. Penilaian kinerja selain bertujuan mengendalikan aktivitas anggota agar efektif dan efisien dalam pencapaian target dan tujuan organisasi juga dimaksudkan untuk memberikan *reward* kepada anggota sesuai dengan kinerjanya.

Reward positif, misalnya promosi jabatan, diberikan kepada anggota ketika anggota mampu menunjukkan kinerja yang baik. Sedangkan *reward* negatif, misalnya demosi jabatan, skorsing, dan sebagainya diberikan kepada anggota ketika mereka tidak mampu menunjukkan kinerja yang baik. Akan tetapi, pada kenyataannya, banyak sekali praktik *performance appraisal* yang tidak memberikan arti apa-apa selain rasa sakit hati anggotanya (*painfull appraisal*) yang timbul akibat sistem penilaian yang tidak adil dan valid.

Artikel ini menyampaikan hal-hal yang menjadi sebab buruknya sistem penilaian kinerja model lama (disebut sebagai *traditional system*) ---seperti misalnya *hallo effect, leniency effect, strickness errors*, *"similar to me" errors* dan sebagainya--- dan mengusulkan penilaian kinerja model baru (yang disebut *360 degrees appraisal system*). Model penilaian 360 derajat tidak hanya melibatkan atasan saja sebagai satu-satunya penilai kinerja (*rater*) akan tetapi juga melibatkan *peers*, *subordinates,*dan diri karyawan itu sendiri. Model 360 derajat ini dinilai lebih bermanfaat dan valid dalam memberikan rating kepada karyawan di samping diperolehnya umpan balik dari penilai.

Kata kunci: penilaian kinerja, model 360 derajat

INTRODUCTION

The best performance reviews let managers and employees *communicate* -- share ideas, opinions, and information. Unfortunately, most traditional reviews put managers into the position of uncomfortable judges, ostensibly telling employees how their work either fit the bill -- or didn't. Possibly because of this, most traditional reviews are no

better than the manager's off-the-cuff judgements, and some may be illegal.

Because of these problems, new types of reviews are coming into play. Most require that evaluations be done not for raises, promotions, or bonusses, but for growth, development, and communication. The most important aspect in every case is *communication between the employee and other people,* instead of one-way communication, for higher performance.

DISCUSSION
Problems with Traditional Systems

Michael Rigg, of Fluor Daniel, (quoted in *Industrial Engineering,* August 1992) said that traditional evaluation methods damage teamwork because of the focus on supervisors evaluating individuals; they may "strip people of their sense of control." Rigg also said that evaluations should provide feedback to individuals so problems may be corrected and higher performance can be rewarded.

In traditional reviews, the manager tells the employee how they measure up, assuming that they both perceive the employee's job the same way. New forms of review may help managers, employees, peers, and customers to gain a mutual understanding of what they mean by "good performance". This may improve the work of everyone involved, while clearing up disputes.

Most managers tend to rate their employees a bit higher than they would normally deserve, leading some companies to use ranking systems - but ranking has its own problems.

Generally, traditional reviews are good at sniffing out excellent and very poor employees, but don't differentiate well among the vast middle ground. This is a problem when reviews are used as

the basis for salary adjustments and bonuses, unless only people at the extremes are treated differently (e.g. everyone gets a 4% bonus except very poor employees, who get nothing, and excellent employees, who get 6%).

With traditional reviews, employees are rated by a single person, who may be biased or have an incomplete view of their work for instance hallo effect, leniency bias, strickness bias, and recency effect (Handoko, 2001: 140).

Alternative methods provide a more balanced view. Other problems with traditional evaluation systems include rater carelessness; use of appraisals for political or personal reasons; the halo effect, where an employee's strengths in one area are spread to other areas; and leniency and strickness errors, where all employees are rated either high or low. Newer systems avoid most of these problems. The new system is design to improve the performance feedback discussion between employees and their bosses (Martinez, 1997: 109-116). The new appraisal system focuses on the company's key objectives, the day-to-day accountabilities of each position, and behaviors the company has identified as important for all positions including customer focus, teamwork, and people management skills.

Peer Reviews

Another source of performance imformation is the employee's co-workers. Peers are an excellent source of information in job such as law enforcement, where the supervisor does not always have the opportunity to observe the employee. Peers also bring different perspective to evaluation process, which can be valuable in gainingan overall picture of individual's performance in several different setting (Noe, et.al, 200:301).

A peer review program may be designed by a task force of three to six workers, to set the goals, benefits, and objectives of the program; design a criteria-based performance evaluation system; and conduct a pilot program (*Training and Development,* June 1992). During the pilot program, people may be encouraged to provide feedback on the system itself. Training and support should be available. Pilot programs are very important for any new system, because they let people iron out the bugs without letting the program lose credibility among other workers.

Peer reviews often have a high level of worker acceptance and involvement; they tend to be stable, task-relevant, and accurate. By helping peers to understand each others' work and by airing grievances in a non-threatening manner, peer reviews may also help people to get along better. For the organization, this means higher performance. For the people, this means a better place to work and less frustration; it may also help people to concentrate less on politics or working around people, and to spend more time on their work (or to put in less overtime).

Peer reviews may work best if all parties know that the reviews will *not* be used for setting pay, promotion possibilities, or disciplinary actions. However, a peer review system with the power to give promotions, raises, or disciplinary actions might be workable in some businesses, if the employees think it's a good idea.

Self-Reviews

Self-reviews are based on the idea that employees are most familiar with their work, and that their involvement is essential. Employees rate themselves on a number of criteria, usually with a formal survey form, and suggest improvements. They help to clarify

their own goals, and expose areas of weakness so they may be worked on. The manager may be left out of the process, although an exchange of views between the worker and manager may help their relationship, and boost the employee's own understanding.

Herbert H. Meyer (*Academy of Management Executive,* 1991) said that self-review changes the role of the manager to counselor, rather than judge - a role from which the manager can do more to support people. He wrote that self-review "...enhances the subordinate's dignity and self respect." Involving the employee as an equal in the review process is more likely (according to Meyer) to increase commitment to action plans, making the entire process both more satisfying and more productive.

Self-reviews tend to have low halo error and result in little paperwork for managers. However, people may not see their own deficiencies as others do, so self-reviews should be used alongside other methods.

Upward Assessments

Upward assessments are used in a large number of organizations, running from Honda and Chrysler to Motorola and NASA. These programs tend to be somewhat shocking to managers at first, but, if designed well, they can result in strong improvements. The rated managers become the program's biggest fans. Amoco's Bill Clover described this as the "SARAH reaction: Shock, Anger, Rejection, Acceptance, Help" (*Training,* March 1993).

Most managers do not realize that what they say sometimes does not match up to what they do. Upward assessments can help managers to keep their words and actions consistent, while showing areas where managers can

improve their performance. This can greatly increase their credibility.

The process is more important than the survey form; it can't be successful unless both raters and managers "open up." Managers must be helped to accept and deal with the results of the assessment. Outside consultants may have experience, needed skills, and an "objective outsider" image, so people can open up to them without fear of reprisal. If cost is a major issue, it may be possible to hire an intern from a local doctoral program in organizational or I/O psychology.

Upward assessments may only be run with managers who have three or more direct reports. Someone other than the manager and ratees must assemble the completed survey forms into a report for the manager; some survey publishers do this.

Many consultants recommend using upward

assessments at least every two years. This helps managers to check their progress and refreshes the findings of the past survey in their minds; however, it doesn't make the cost unbearable. After the first assessment, the program may be run in-house.

The 360 Degree Feedback (360 Degree Review)

The 360 degree feedback is the most comprehensive and costly type of appraisal. It includes self ratings, peer review, and upward assessments; feedback is sought from everyone. It gives people a chance to know how they are seen by others; to see their skills and style; and may improve communications between people.

The 360 degree feedback helps by bringing out every aspect of an employee's life. Cooperation with people outside their department, helpfulness towards customers and vendors, etc. may not be rewarded by other types of

appraisal. This system also helps those who have conflicts with their manager.

The 360 degree feedback generally has high employee involvement and credibility; may have the strongest impact on behavior and performance; and may greatly increase communication and shared goals. It provides people with a good all-around perspective.

The Managing Individual Effectiveness (MIE) system at Bellcore is used for self-development. It gets feedback from peers, managers, subordinates, and the ratees themselves. According to a Bellcore representative, the results are better working relations; better communications; more information on management performance and style; increased effectiveness and productivity of individuals and the organization as a whole; knowledge of training needs; a better grasp of organizational priorities; and greater

employee input in designing self-development plans.

The Bellcore rep noted that, for success, expectations must be communicated clearly; employees must be involved early; resources must be dedicated to the process, including top management's time; confidentiality must be assured; and the organization, especially top management, must be committed to the program. This system *requires* a third party, such as a consultant, to begin the process, which may take months to start up.

The 360 degree feedback may be given directly to the employees, who have the option of discussing them with their managers; or it may be given to the managers for use in a feedback meeting. Whichever method is chosen, training for the managers and ratees is necessary.

Some off-the-shelf survey forms include job analysis techniques designed to form KSAs

(knowledge, skills, and abilities required by a job) based on interviews, focus groups, and questionnaires. These forms may help to kill two birds with one stone, by helping to create valid job descriptions and then providing feedback on performance. The KSAs required by a job may be determined using traditional job-analysis techniques; competencies required by the job; strategic goals of the organization; development theory; or personality theory (e.g. communication or leadership styles).

CONCLUSION

Most businesses would benefit from better communications and management. A good review system could help to improve communications, while aiding people to increase their own effectiveness and to clarify their own jobs and responsibilities. An innovative system could not only increase the performance of the staff, but also help them to work together, with common goals and fewer obstacles. It could help people to comment on others' performance and perceived problems more freely.

Even for a small business, one with a single owner or manager and three or more employees, 360 degree feedback, upward appraisals, and peer appraisals may be helpful. They can bring out things which are normally never spoken, reducing tension, improving communications, and most likely raising the employees' (or the manager's) performance considerably.

Involve your employees in the process. If they design the new performance appraisal system, they may be more dedicated to it--and both you and your employees can reap the benefits.

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