Developing the Application of 360 Degree Performance Appraisal through Logic Model

Ozge OZ
Human Resources Specialist
Human Resources Department, Turkish Agricultural Credit Cooperatives
Ankara, Turkey

Prof. Dr. Deniz BUYUKKILIC SEREN
Professor
Trade and Tourism Education Faculty, Gazi University
Ankara, Turkey

Abstract

360 degree performance appraisal system is a challenging and effort requiring process which should be applied after an appropriate planning. Logic model is a visual and systematic tool which is used to define and determine the relationships between the resources needed to apply a program, the planned activities and the goals that are aimed to achieve. It is thought that by using the concepts of 360 degree performance appraisal and logic model together, a synergy can be created among two concepts and the effectiveness of application processes can be developed. Consequently it is predicted that through logic model, the preparation phase of the application of 360 degree performance appraisal system can be realized systematically with the participation of all the participants and argued that this application will provide the system to be understood well by the participants, to achieve strong communication and prevent the probable problems.

Key Words: 360 degree performance appraisal, logic model

1. Introduction

Nowadays, because of the changing and developing market conditions, human resources have a crucial role for organizations. An enterprise with an effective, well planned and managed human resources, can sustain its productivity and organizational performance by using this resources as an advantage. At this point, performance appraisal which is one of the basic functions of human resources management becomes more important. Organizations which own a well planned and applied performance appraisal system can effectively use their human resources. Traditional appraisal methods where the appraisal is performed only by managers, has became insufficient for the organizations. Many firms have expanded the idea of upward feedback into "360 degree feedback" (Dessler, 2003: 260). Different than traditional appraisal methods, 360 degree performance appraisal system gathers the data from various sources and provides a wide perspective about the employees' performance. Gallagher (2008) states that this multi-source feedback also allows individuals to understand how others view their effectiveness and become more cognizant of how their effectiveness as an individual, co-worker, or employee is perceived by others. As Decenzo and Robbins (2002) have stated, research studies into the effectiveness of 360 degree performance appraisal are reporting positive results. These stem from having more accurate feedback and reducing the subjective factors in the evaluation process.

For today's organizations in which teamwork and employee development is important and where the employee is in communication with a lot of people; the method of 360 degree appraisal system is very useful, where a feedback is given to the employee after that the appraisal data is collected from more than one appraiser. 360 degree performance appraisal method is a process where the evaluation of employee's performance is conducted through the information gathered from employee's managers, supervisor, inferiors, team and project mates, customers and the employee him/herself; then a feedback about the performance is given to the employee.

Luecke (2010) have expressed that the participation of the employee in the appraisal process, leads to a feeling that the process is associated with him/her which increases the organizational commitment. Researches state that 360 degree performance appraisal system reduces appraiser mistakes related to performance systems which are performed by one sourced performance data (Banu and Umamaheswari, 2009: 66).

In organizational perspective, 360 degree performance appraisal can be examined to facilitate cultural change, used solely for developmental purposes, succession planning systems, executive development, reinforce core values and business strategies and input to the performance appraisal. From individual perspective, the appraisal is used in order to aid improving or even unsatisfactory performance, to decrease employee's defensiveness about weaknesses, used as device to provide feedback and to give employees a good understanding of their abilities (Pak, 2009: 62).

Logic model concept is defined as a picture showing how an organization or a project does its works and as a visual and systematic tool which is used to define and determine the relationships between the resources needed to apply a program, the planned activities and the goals that are aimed to achieve (W.K. Kellogg Foundation, 2004:1). Logic models are easy, clear and understandable systems for organizing information that enable key stakeholders to have a picture of how programs work (Wells and Arthur–Banning, 2008: 189). The aim of logic model firstly and especially is to determine the relationships between program outcomes and elements. Logic model serves numerous functions, including assisting evaluators to focus the evaluation on the principal elements of the program, providing staff and other stakeholders with a common understanding of program services and goals, identifying a set of performance indicators that may be used to develop a monitoring system and summarizing performance for funders and decision makers (Gugiu and Rodriguez–Campos, 2007: 340). While designing the logic model, aimed outcomes, inputs and activities that are necessary to achieve those outcomes, assumptions about the program and external factors that may affect the process are determined carefully (Wilder Research Center, 2008: 340). The use of logic model in the phase of composing the action plans which plays an important role in organizations' success is advantageous in order to provide and sustain productivity.

Applying 360 degree performance appraisal system after that a detailed plan is composed, will increase the success of the application. By this perspective in this research it is proposed for organizations which are using or willing to use 360 degree performance appraisal system, to apply the program through logic model in order to increase the application's success. Thus it is argued that the road map about 360 degree performance appraisal can be designed and that the productivity of the system can be increased by planning who will participate the system, which activities will be performed and which outcomes will be achieved.

2. Developing The Effectiveness of The Application of 360 Degree Performance Appraisal Through Logic Model

In the study, two scenarios about logic model's application with 360 degree performance appraisal are proposed to be used in; i) strategic level and ii) functional level. Through the proposed logic models, it is intended to determine the stages of using logic model, for a business which will use 360 degree performance appraisal system for the first time or a business which is using but willing to increase the effectiveness of the system; in order to gain a general perspective about the performance appraisal system and to solve the problems that may occur during the appraisal process. The main aim is to design a "road map" about the system through logic model in order to provide 360 degree performance appraisal to be more beneficial and to solve the problems that may be faced in different levels. With this aim, it is planning to complete the preparation stage of the appraisal system by a logic model designed in strategic level, and to aid to solve a problem which is connected to performance by a logic model designed in functional level.

It is seen that there is no research in national and international literature about the integration of logic model and 360 degree performance appraisal system. It is predicted that this application will provide the system to be understood well by the participants and applicants, to achieve strong communication throughout the organization and to prevent the problems before they occur.

2.1. Research Questions

With this research it is aimed to find answers to the questions stated below:

- Is it possible through logic model to provide 360 degree performance appraisal system to be developed in terms of efficiency and effectiveness of the application the system?
- Can logic model be a guide or a phase of preparation for 360 degree performance appraisal system?
- Can the application and benefits of 360 degree performance appraisal system be more clear and understandable for both the applicants and the participants with the help of logic model?

It is thought that in a 360 degree performance appraisal applied by using logic model, since the participants will be included in all the process; the system will be clear and easy to understand, and thus more beneficial and applicable. Furthermore it is expected that 360 degree performance appraisal system designed by logic model will develop the communication between supervisors and inferiors and also throughout the organization.

2.2. Method

After a literature research, two logic models in strategic and functional levels are designed for a company which will use 360 degree performance appraisal system, in order to increase the effectiveness of the system. These logic models are designed for organizations which are not using 360 degree performance appraisal system or which are using but willing to increase its effectiveness.

The first activities before designing the model about 360 degree performance appraisal, should be the decision of process start and the devolution of authority to the concerned departments ruled by managers of the organization. In this process human resources department can generally be determined as authorized. After the devolution of authority, the next step will be the design of logic model. While composing logic models, the preparation phases of 360 degree appraisal system are considered as the elements of logic model.

2.2.1. Determining the Applicants of Logic Model

It is important for the effectiveness of the model, that the groups of people who will use the logic model, are formed by the people who involve 360 degree performance appraisal process. It will be useful firstly to train those people about the appraisal technique and the process of creating logic model.

2.2.2. Analyzing Current Situation

Assuming that performance appraisal has an important role in human resources management, it is firstly aimed to compose a logic model in strategic level providing a road map which will enlighten the company while using 360 degree performance appraisal.

2.2.2.1. Strategic Level

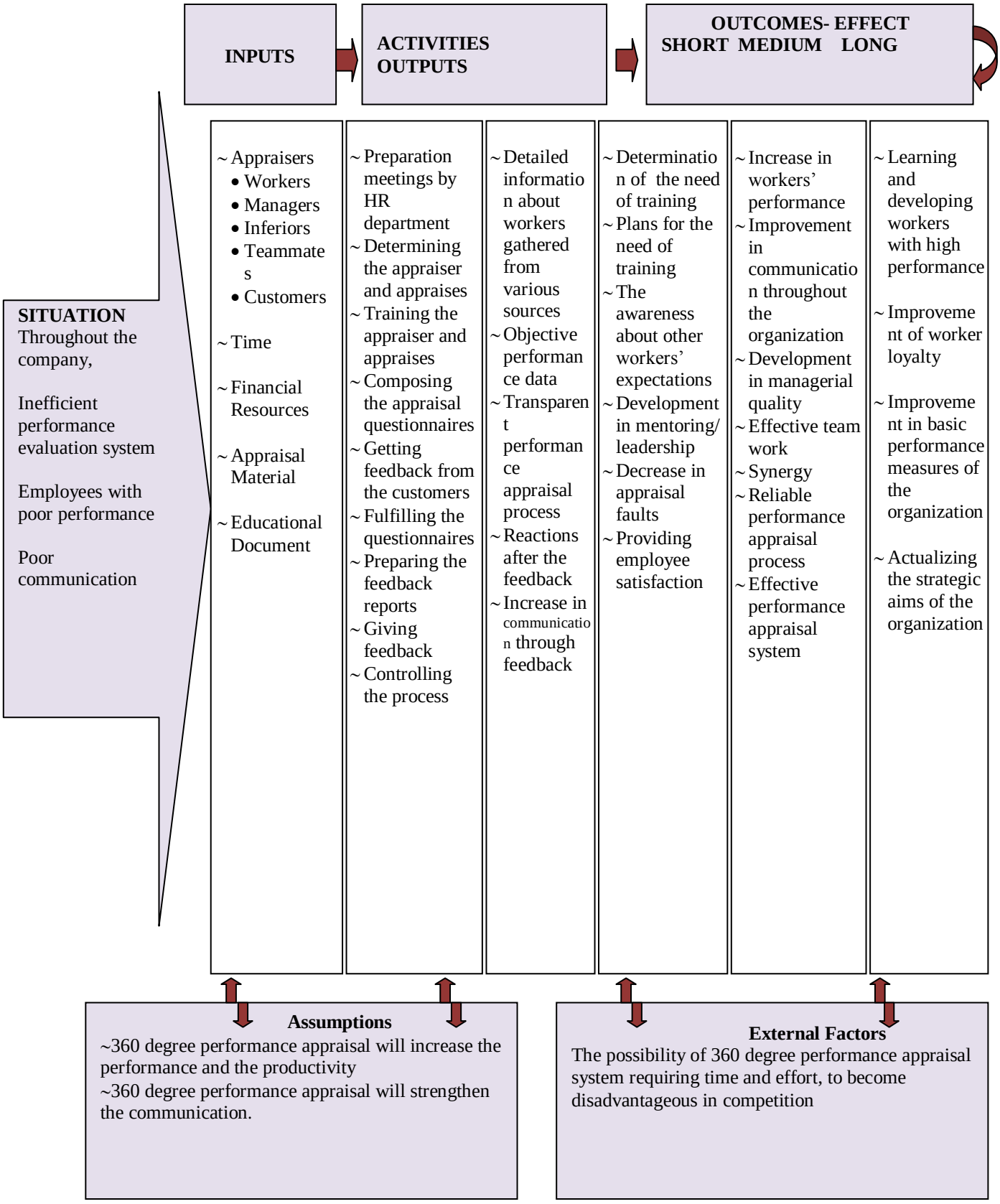
In the strategic level logic model, the current situation is determined as inefficient performance evaluation process, low performance employees and poor communication throughout the company which is decided to develop or adopt 360 degree performance appraisal.

While designing the logic model in strategic level; a) people involving the process of 360 degree appraisal, b) time, c) financial resources and d) appraisal material and e) educational documents are considered as inputs of the model. The activities of the logic model are determined as the stages of 360 degree performance appraisal process. It is thought that the outputs would be a) performance data gathered from various sources, b) objective performance data, c) transparent performance appraisal process, d) reactions about the feedback and e) increased communication due to feedback.

By determining logic model's outcomes in short, medium and long term; the strategic goals that the organization aims to reach and the advantages of 360 degree appraisal system are discussed. The long term goals and short-medium aims are stated in details in Figure: 1. and problem solving is transformed into an applicable scenario.

Also by determining the acquisitions that are thought to be provided by using 360 degree performance, the assumptions; by determining the effects that may occur during the application of process, the external factors are defined.

Figure 1: Logic model designed in strategic level



2.2.2.2. Functional Level

In the functional level logic model, the current situation is defined as the insufficiency in career planning which is an important sub-function of human resources management. It is aimed to provide the system to be successful by designing a road map through logic model in order to solve the main current problem. So, the insufficiency in career planning is transformed into an applicable scenario.

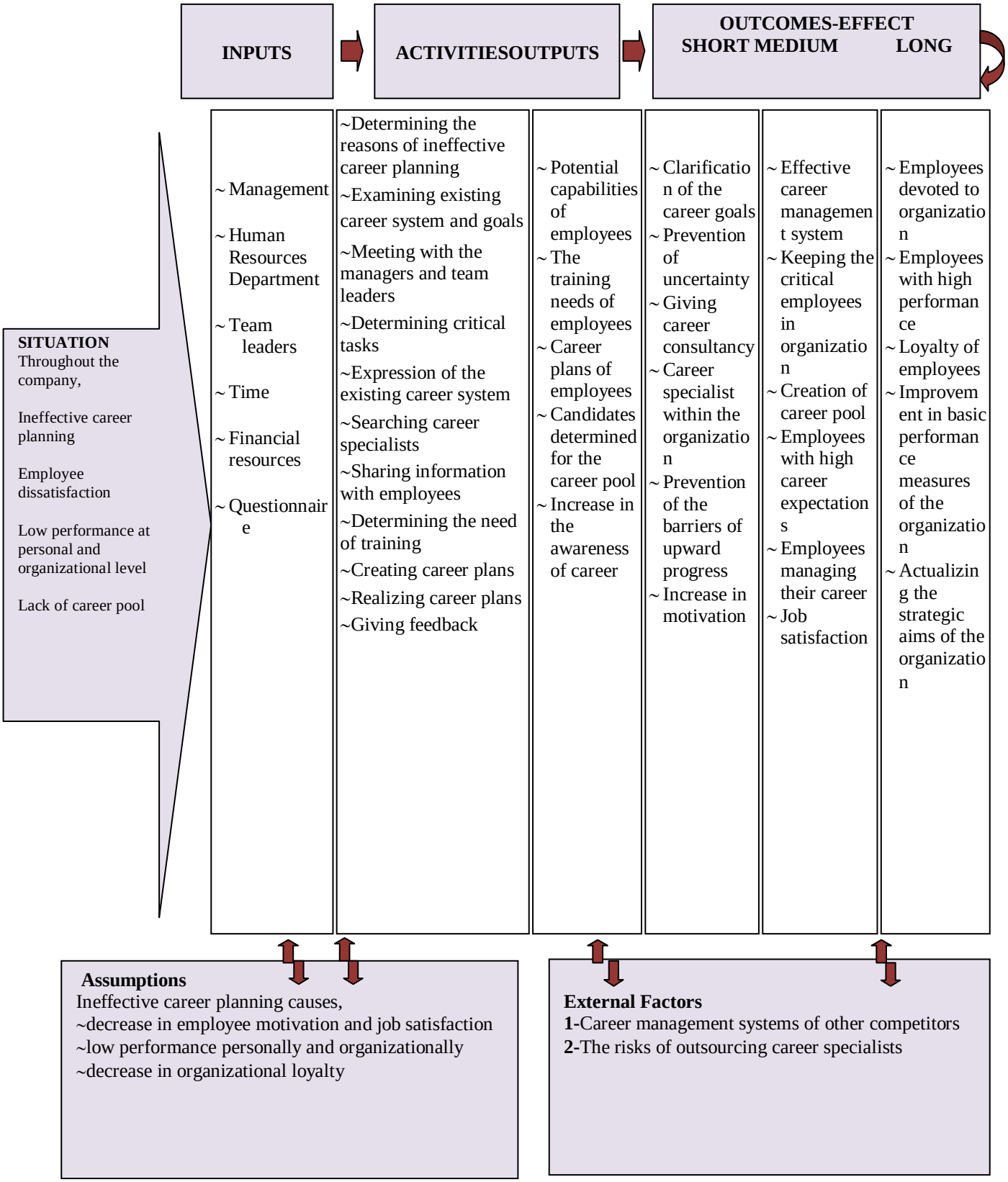
Firstly the problems of companies that may face in this process are defined and a logic model is designed according to those problems. It is assumed that for mentioned company, the problem of inefficient career planning leads to the inefficiency of career planning, employee dissatisfaction, lack of career pool, and decreases in personal and organizational performance.

The inputs of the models are defined mostly the same as the model in strategic level except customer. According to the scenario designed in functional level, activities are determined as a) the examination of the causes of inefficient career planning, b) the analysis of goals and career management, c) meeting with managers and team leaders, d)determining critical tasks, e) expression of the existing career system, f) searching career specialists, g) sharing information with employees, h) determining the need of training, i) creating career plans, j) realizing career plans and k) giving feedback.

The employees' needs and career plans obtained by the activities, are defined as the outputs of the model. Outputs are also consisting of determining workers' potential capabilities, candidates determined for the career pool and increase in the awareness of career.

And the outcomes are determined by establishing the strategic goals of the organization by ameliorating career planning. The outcomes are detected in short, medium and long term according to their attainability. The visual model integrating these elements is designed as shown in Figure: 2. The assumptions are determined by defining the troubles that are caused by inefficient career planning; and the external factors are determined by defining the factors that may affect the process of improvement of planning.

Figure 2: Logic model designed in functional level



3. Conclusion

Logic model can be a basic tool which provides convenience and contribution to effectiveness of the project for companies in applying the program. The participants, managers and funders of the program can have a road map about the program through logic model. 360 degree performance system different than traditional performance appraisal methods, provides more appropriate and interactive evaluation process for nowadays' modern businesses.

This research provides a contribution integrating the concepts of 360 degree performance appraisal and logic model. Considering the scenarios designed about 360 degree performance appraisal system, a beneficial tool is suggested by designing two logic models in strategic and functional levels that organizations may use before applying 360 degree performance appraisal. It is predicted that 360 degree performance appraisal system which requires a well planned process, can be designed by using logic model, thus the success and productivity of the appraisal can develop. Organizations may use the approaches mentioned in this research in order to solve the problems that they may face in human resources management and also in other areas of business.

3.1 Lessons learned

It is seen that 360 degree performance appraisal is beneficial in order to appraise employee performance. By getting feedback from a wide variety of sources at varying levels within an organization, a more accurate picture of the employee's strengths and weaknesses emerges (Gallagher, 2008:61).

As stated in the Logic Model Workbook (2006), a series of "if-then" relationships connect the components of the logic model: if resources are available to the program, then program activities can be implemented; if program activities are implemented successfully, then certain outputs and outcomes can be expected.

By using logic model at the planning stage of 360 degree performance appraisal, it is expected to properly determine the components of the system and then to develop the application of the appraisal.

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