

THE INFLUENCE OF IMPLEMENTING 360-DEGREE PERFORMANCE EVALUATION METHOD IN SAMSUNG ENGINEERING SAUDI ARABIA.

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1. INTRODUCTION

There are several methods of performance appraisal and each of one has a different criteria and procedure, performance appraisal considers one of the important function of the organization in order to evaluate the employee performance, personality and potential. Nowadays, companies focusing more to increase the productivity with a suitable environment for the employee and go to more team-based structure than the traditional hierarchical structures.

360-degree performance appraisal it's a method that evaluates and gathers information from different levels within the organization, for example, employee's subordinates, peers, and supervisor(s), as well as employee itself. The concept of 360 degree starts in 1950 by the Esso Research and Engineering Company. The concept of 360-degree gets more popularity after it was implemented by successful companies such as GE "General Electric CEO Jack Welch's use of 360-degree feedback. Jack Welch increased shareholder value every year at GE by using 360-degree feedback"(Shane Thornton, 2017). Furthermore, According to Jack Zenger, "More than 85% of all the Fortune 500 companies use the 360-degree feedback process as a cornerstone of their overall leadership development process".

The outcome from 360-degree performance appraisal can provide information that will be helpful for both the organization and employees can improve the employee performance as well as gives a sort of feeling of value to employees.

2. CONTENT

2 (A) Problem identification.

Employee's performance appraisal is one of the most critical functions of human resource department. Samsung Engineering Saudi Arabia uses an upward method of employee's performance appraisal where the manager evaluates his employees; follow up that the manager

of the manager will evaluate him in a continuous process which will give one-side feedback. So, when the managers evaluating his employees may show certain bias to some of the employees, which may happen deliberately or un-deliberately but on the other hand, help the manager to identify who the employee performs well during the whole year.

360-degree performance appraisal can provide two-side feedback which will provide the benefit of both the manager and the employees, by implementing 360-degree feedback the employee can understand how his performance as an employee is viewed by others, has an opportunity to evaluate his manager which gives an employee feels that his opinion is worthy, opportunity of rating their boss may give employees the experience of power and right to speak (ece kuzulu kanaslan and cemal iyem, 2016).

On the other side, through implementing 360-degree performance appraisal the manager can get a lot of information that can be used in helping to set the goals for the next year, identifying the training need as well.

2.1 Research objective.

Identify the influence of implementing the 360-degree performance appraisal on Samsung Engineering Saudi Arabia employees. So, this research will provide information about the influence of implementing 360-degree performance appraisal

2 (B) Review of literature.

Since the employees are the worthiest source of any organization, it goes without saying that it is quite essential for every organization to evaluate the employee performance; the performance is the duty that performed to meet predetermined criteria that aimed to achieve the organization objectives. The employee performance appraisal is a process to follow up the performance and productivity of employees in an organization. The Performance Appraisal is a systematic and objective process to access the ability of an employee in performing his task. According to Jack Zenger "More than 85% of all the Fortune 500 companies use the 360-degree feedback process as a cornerstone of their overall leadership development process". 360-degree feedback is a tool that gives the employee the opportunity to get feedback about their performance, which is also known as multi-rater feedback, multi-source feedback, or multi-source assessment, the method has been used mainly for two purposes, appraisal, and development.

Monalisa Mohapatra (2015), highlighted on 360 Degree Feedback: A Review of Literature that aims to identify the extant research undertaken and available in the field of 360-degree feedback and how 360-degree performance appraisal is important to the organizations, the research was

done by reviewing 30 articles have been downloaded from Google that published between 1995-2014. The researcher found that the implementing process of 360-degree performance should stand on the process and the purpose, without these aspects the implementation process will not be successful. Furthermore, the result of 360-degree performance appraisal can be used in two way either for performance evaluation or/ and training and development.

“Because organizations are by the people, for the people, and to the people” (Monalisa Mohapatra, 2015). Neeshu (2016), highlighted in the article about 360 Degree Performance Appraisal that focuses on using of 360-degree performance appraisal on employees and organizations as well, the research was done after going through the available research & literature that are related to the topic. So, the researcher found that the success of 360-degrees performance appraisal depends on the employees of the organization and management and on how they deal with the 360-degree feedback because the information that the managers will receive from the 360-degree performance appraisal will be helpful for both of the organization and employees. Also, the process can be successful only if followed with a way to providing development training.

Ece Kuzulu Kanaslan, Cemal Iye (2016), discuss on the article about the effectiveness of 360-degree performance appraisal. The research was done after going through the available literature review that addresses the question of whether the 360 Degree Feedback Appraisal an Effective Way of Performance Evaluation or not. And the researcher states that, there are some factors which will affect the result of the 360-degree process e.g. the personality of employee and the evaluator and the culture of the organization. Moreover, the authors identify that the 360-degree performance appraisal is an effective method for performance evaluation also its provide positive outcomes than the traditional method.

Mariam Baloch, Faiza (2016) on the study of the Impact of 360 Feedbacks on Management Skills and Development that was done through gathering a primary data from a different oil and gas organization through a questionnaire and the secondary data collected from different research papers which is aims to identify How management skills are affected by 360-degree feedback, The research indicates that the 360-degree feedback has a positive impact on manager’s development and skills. Also, the study shows that there is a relation between a positive feedback that received from the 360-degree performance appraisal and managers development.

Rao, Talam & Nandini, Chawla. (2008), in their research about the impact of 360-degree feedback, based on the question they asked the respondent about any significant changes they felt after implementing the 360-degree performance evaluation, the information was collected by a questionnaire sent after one year from the initiated of 360-Degree Feedback program to 43 candidates who underwent the 360-Degree Feedback. then, so they come-up with a list of

positive and negative changes as following, the positive changes such as the environment Become more open, Better networking, Better understanding, significant changes on some key member and Healthy interactions with teams. And the negative changes such as few became suspicious of peers because of the comments they received and Changes only short lived.

2 (C) Research methodology.

a. Population:

With a total population of (70) employees from a different department include Government relation officer, Saudi talent management group, corporate management, finance & accounting, closing & warranty, vendor & Subcon and marketing. The responses was (51), and response rate was (73%).

b. Data collection method:

With a sample size of (51) employees that obtained through convenient sampling techniques, the primary data was collected from the employees using a structured questionnaire developed by Lithakong, K.E.,(2014), the questionnaires include, 4 questions related to demographic information of respondents, 8 behavioral questions and one open end question..

The secondary data was collected from research article, books, journals and website that related to 360-degree performance appraisal.

c. Instrument used:

Using a structured questionnaire developed by Lithakong, K.E.,(2014) to identify the influence of implementing the 360-degree performance appraisal on Samsung Engineering Saudi Arabia Employees, the questionnaire was distributed by email among Samsung engineering Saudi Arabia employee with the total population (70), the total responses was (51) , and the response rate was (73%) .

d. Decoding:

Demographics variables include the question about gender, age, years of experience and highest level of education are coded as following:

1. Gender : 1 for Male , 2 for Female
2. Age: 1for (18-25 years old), 2 for (26-30 years old), 3 (31-35 years old), 4 for (36-40 years old), 5 for (above 40 years old)

3. Years of experience : 1 for (1 – 3 years), 2 for (4 – 6 years), 3 for (7 – 9 years), 4 for (10-12), 5 for (above 12)
4. Highest level of education: 1 for (high school), 2 for (bachelor degree), 3 for (master degree), 4 for (Ph.D.)

The Likert scale option coded as following:

1. 1 Represent Strongly Agree
2. 2 Represent Agree
3. 3 Represent Neutral
4. 4 Represent Disagree
5. 5 Represent Strongly Disagree

e. Statistical tools:

Microsoft Excel for analyzing the questions and demographic variables, analyzing each question in graph and table which consist of the answer options, frequency, and percentage.

2 (D) Limitation of the study:

- This study is limited and conducted only for Samsung engineering Saudi Arabia employees.
- High confidentially for needed information.
- There is no balance in the staff between male and female, so the result won't be accurate to be generalized or compared in gender base.
- Some employee were unwilling to fill the survey due to lack of time.

2 (E) Data analysis and interpretation.

Table 3.1 Gender of respondents:

Answer option	Frequency	Percentage %
Male	46	90%
Female	5	10%
Total	51	100%

Source: primary data

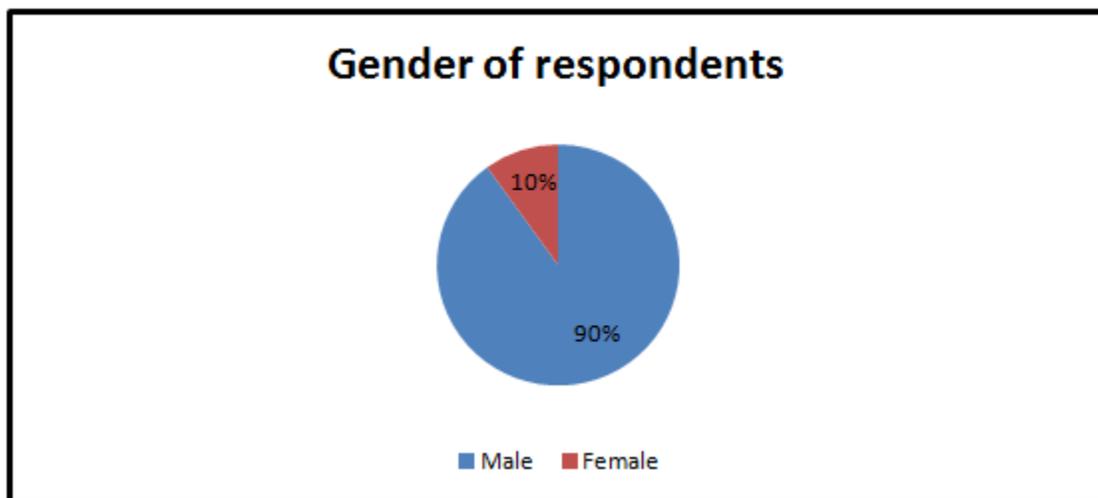


Figure 3.1 Gender of respondents

Table 3.1 represent the gender of respondents who participated in this research, it can be observed that the highest percentage which is 90% represent male, while 10% percentage represent female, the same finding can be seen in figure 3.1.

Table 3.2: Age of respondents

Answer Option	Frequency	Percentage %
18-25	4	8%
26-30	21	41%
31-35	18	35%
36-40	8	16%
Above 40	0	0%
Total	51	100%

Source: primary data

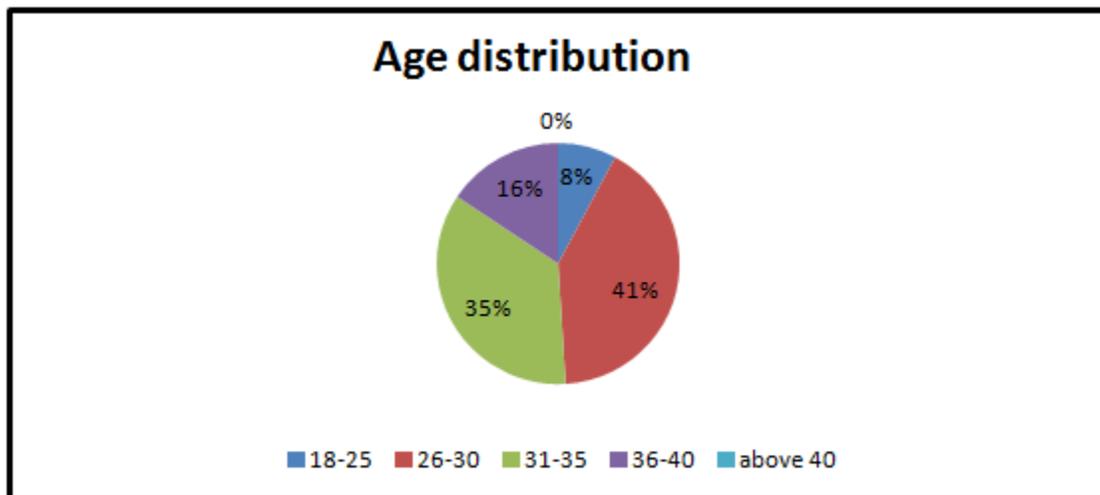


Figure 3.2 Age of respondents

Table 3.2 and figure 3.2 shows the results of age distribution for employees who have participated in this research, it can be observed that the largest proportion of respondents which is 41% are between 26-30, then 35% are between 31-35, also 16% between 36-40 and only 8% are between 18-25 while no respondent above 40 years old.

Table 3.3 Education level of respondents:

Answer Option	Frequency	Percentage %
High school	0	0%
Bachelor degree	41	80%
Master degree	8	16%
Ph.D.	2	4%
Total	51	100%

Source: primary data

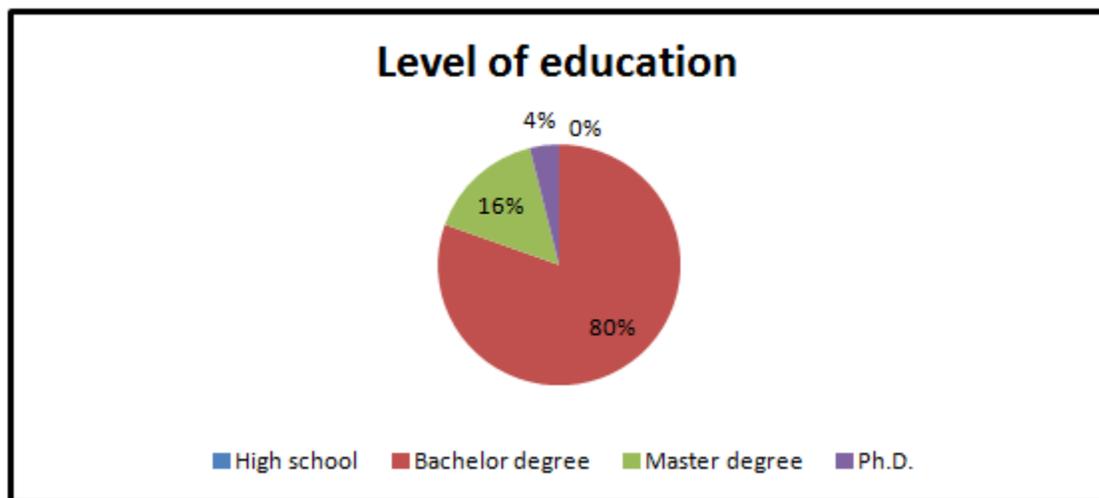


Figure 3.3 Education level of respondent

Table 3.3 and figure 3.3 shows the results of education level for employees who have participated in this research, it can be observed that the largest proportion of respondents which is 80% are employees with a bachelor degree, then 16% with master degree, and only 4% with Ph.D. Degree while no respondent with a high school degree.

Table 3.4 years of experience of respondents:

Answer Option	Frequency	Percentage %
1-3 years	4	8%
4-6 years	21	41%
7-9 years	18	35%
10-12 years	8	16%
Above 12	0	0%
Total	51	100%

Source: primary data

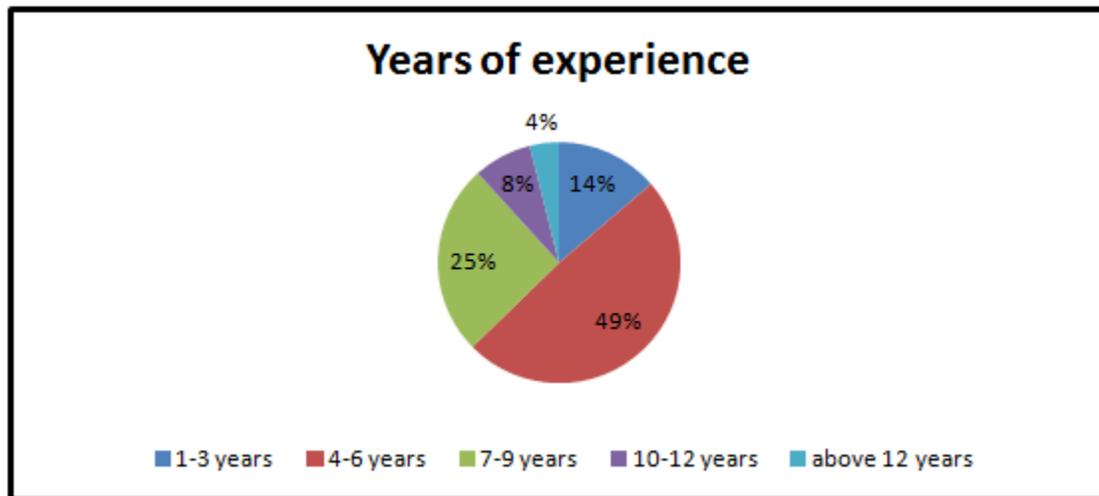


Figure 3.4 years of experience:

Table 3.4 and figure 3.4 shows the results of the years of experience that employees have with the company it can be observed that 49% of respondents have 4-6 years of experience, 25% of them have 7-9 years of experience, also 14% of them have 1-3 years of experience, 8% of them have 10-12 years of experience, while 4% of them have above12 years of experience.

Table 3.5 360-degree performance appraisal is the best method:

Answer Option	Frequency	Percentage %
Strongly agree	10	20%
Agree	33	65%
Neutral	8	16%
Disagree	0	0%
Strongly disagree	0	0%
Total	51	100%

Source: primary data

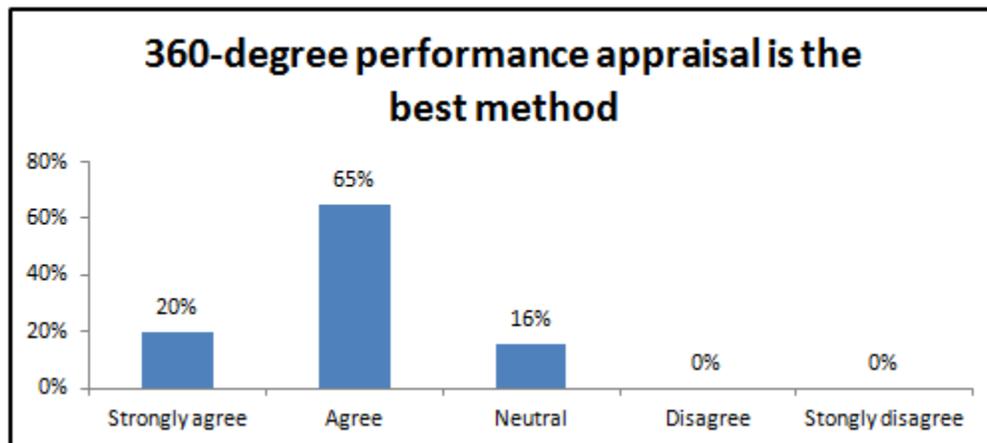


Figure 3.5

According to table 3.5 and figure 3.5, it shows the employee's agreement whether the 360-degree is the best method. The result of employees who responded are represented in percentage and frequency, it can be observed that 65% of them agreed that 360-degree is the best method, 20% of them are strongly agreed, also 16% said neutral about that, while no one disagreed or strongly disagreed about that.

Table 3.6 my supervisor provides feedback about my performance often

Answer Option	Frequency	Percentage %
Strongly agree	14	27%
Agree	25	49%
Neutral	7	14%
Disagree	4	8%
Strongly disagree	1	2%
Total	51	100%

Source: primary data

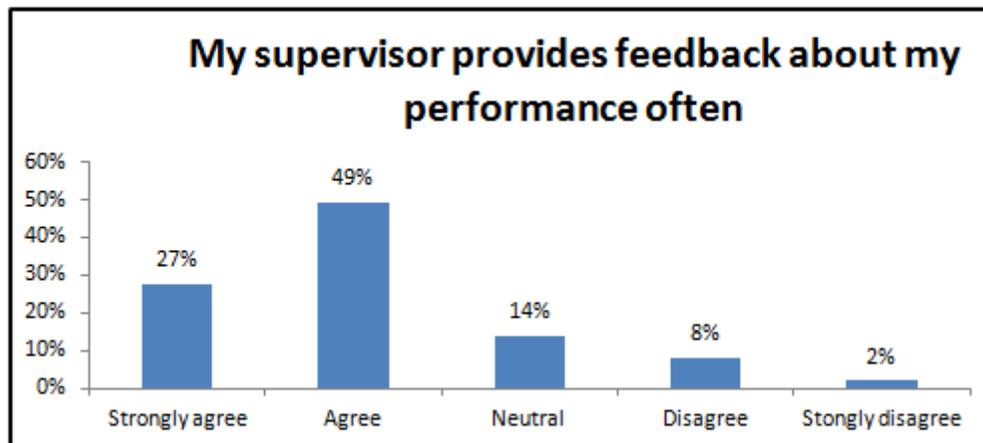


Figure 3.6

The above table 3.6 and figure 3.6, it shows the employee's agreement whether their supervisor providing a feedback about their work often. The result of employees who responded are represented in percentage and frequency, it can be observed that 49% of them agreed that their manager provided a feedback about their work often, 27% of them are strongly agreed, also 14% said neutral about the situation, while 8% disagreed that their supervisor providing a feedback about their work, also 2% of them have strongly disagreed about that.

Table 3.7 job performance will improves as a result of the 360-degree assessment

Answer Option	Frequency	Percentage %
Strongly agree	14	27%
Agree	23	45%
Neutral	13	25%
Disagree	1	2%
Strongly disagree	0	0%
Total	51	100%

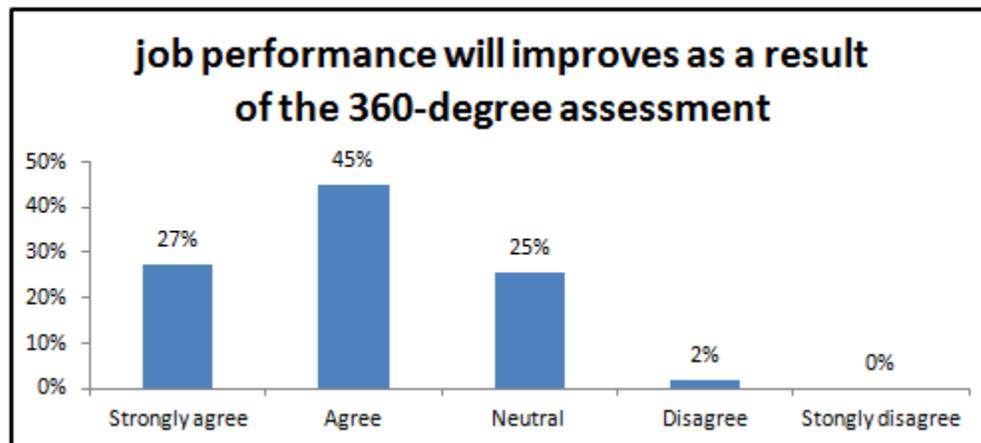


Figure 3.7

The above table 3.7, it shows the employee's agreement whether their performance will improve as a result of the 360-degree method. The result of employees who responded are represented in percentage and frequency, it can be observed that 45% of them agreed that their performance will improve as a result of the 360-degree method, also 27% of them are strongly agreed, while 25% said neutral about that, while no one disagreed or strongly disagreed about that. The same result can be observed in figure 3.7 also.

Table 3.8 I accept to evaluate my performance by my subordinate

Answer Option	Frequency	Percentage %
Strongly agree	13	25%
Agree	26	51%
Neutral	9	18%
Disagree	3	6%
Strongly disagree	0	0%
Total	51	100%

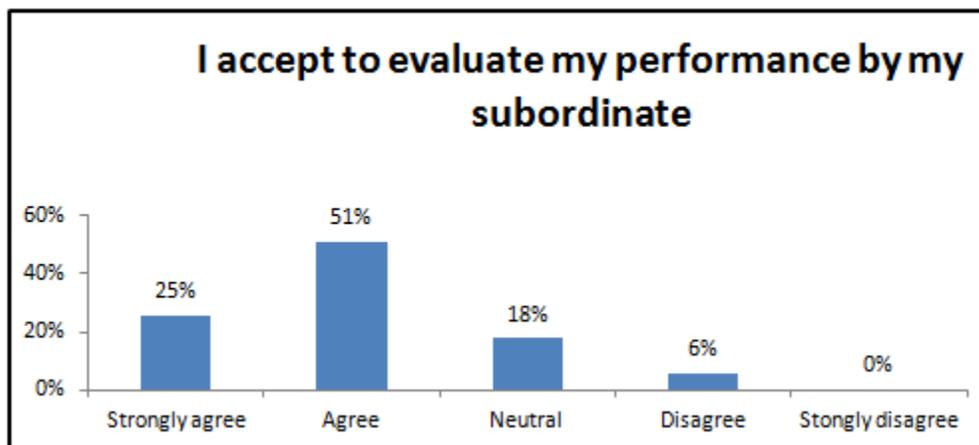


Figure 3.8

The above table 3.8, it shows the employee's agreement whether they are accepted to be evaluated by their subordinates, the result of employees who responded are represented in percentage and frequency, it can be observed that 51% of them agreed to be evaluated by their subordinates, also 25% of them are strongly agreed, while 18% said neutral about this situation, and 6% of them disagreed to be evaluated by their subordinates, no one strongly disagreed about that. The same result can be observed in figure 3.8 also.

Table 3.9 360-degree evaluation is a fair process

Answer Option	Frequency	Percentage %
Strongly agree	16	31%
Agree	25	49%
Neutral	9	18%
Disagree	1	2%
Strongly disagree	0	0%
Total	51	100%

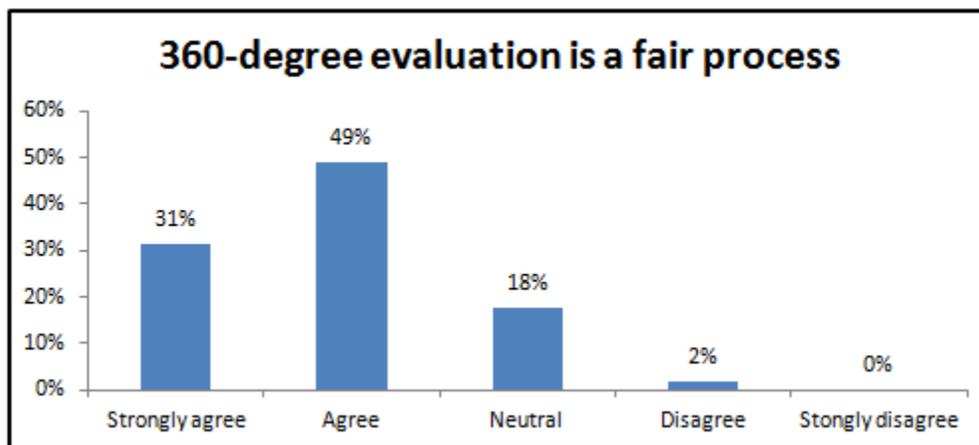


Figure 3.9

According to table 3.9 and figure 3.9, it shows the employee's agreement whether the 360-degree method is a fair process. The result of employees who responded are represented in percentage and frequency, it can be observed that 49% of them agreed that 360-degree is a fair process, 31% of them are strongly agreed, also 18% said neutral about that, and 2% of them disagreed that the 360-degree is a fair process while no one strongly disagreed about that.

Table 3.10 360-degree appraisal is useful in identifying training needs

Answer Option	Frequency	Percentage %
Strongly agree	16	31%
Agree	28	55%
Neutral	5	10%
Disagree	2	4%
Strongly disagree	0	0%
Total	51	100%

Source: primary data

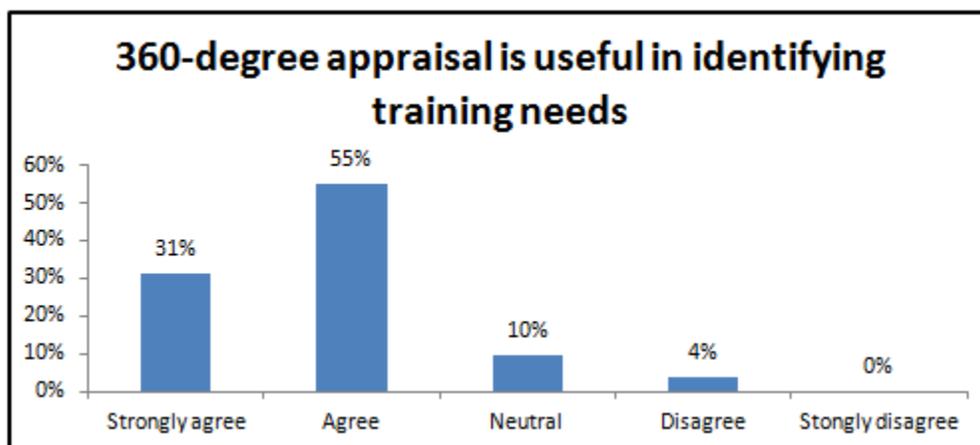


Figure 3.10

According to table 3.10 and figure 3.10, it shows the employee's agreement whether the 360-degree method is useful for identifying the training needs. The result of employees who responded are represented in percentage and frequency, it can be observed that 55% of them agreed that 360-degree method is useful for identifying the training needs, 31% of them are strongly agreed, also 10% said neutral about that, and 4% of them disagreed that the 360-degree method is useful for identifying the training needs while no one strongly disagreed about that.

Table 3.11 positive change in manager behavior in dealing with the employees after implementing 360-degree performance appraisal

Answer Option	Frequency	Percentage %
Strongly agree	7	14%
Agree	30	59%
Neutral	13	25%
Disagree	1	2%
Strongly disagree	0	0%
Total	51	100%

Source: primary data

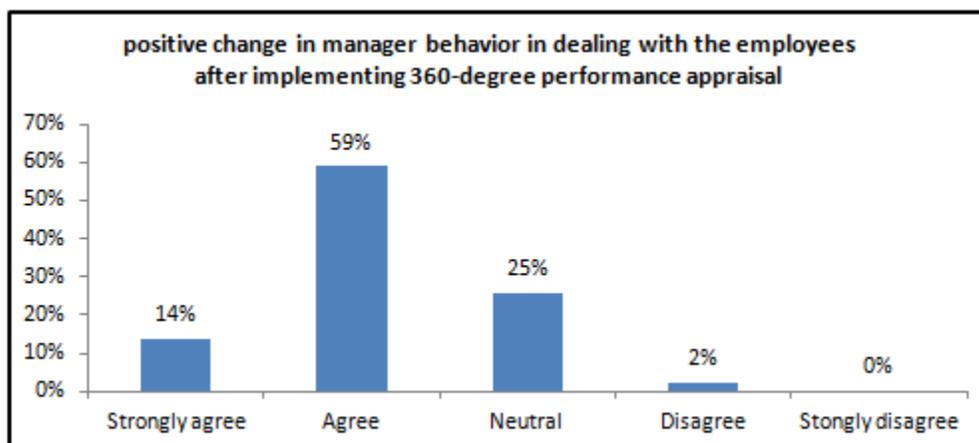


Figure 3.11

The above table 3.11, it shows the employee's agreement whether there will be positive change in manager behavior after implementing the 360-degree method, the result of employees who responded are represented in percentage and frequency, it can be observed that 59% of them agreed that the manager behavior will change after implementing the method, also 25% of them said neutral about that, while 14% of them strongly agreed about this situation, and 2% of them disagreed that the manager behavior will change after implementing the 360-degree method, while no one strongly disagreed about that. the same result can be observed in figure 3.11 also.

Table 3.12 360-degree performance appraisal will motivate employees to perform well

Answer Option	Frequency	Percentage %
Strongly agree	18	35%
Agree	24	47%
Neutral	7	14%
Disagree	2	4%
Strongly disagree	0	0%
Total	51	100%

Source: primary data

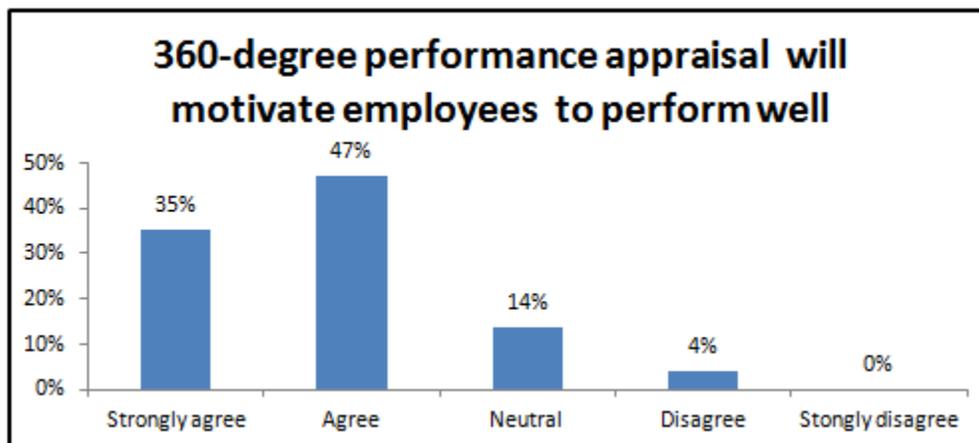


Figure 3.12

According to table 3.12 and figure 3.12, it shows the employee's agreement whether the 360-degree method will motivate employees to perform well. The result of employees who responded are represented in percentage and frequency, it can be observed that 47% of them agreed that 360-degree method will motivate employees to perform well, 35% of them are strongly agreed, also 14% said neutral about this situation, and 4% of them disagreed that 360-degree method will motivate employees to perform well. While no one strongly disagreed about that.

Correlation Analysis:

Table 3.13 correlation analysis:

	360-degree performance appraisal will motivate employees to perform well	job performance will improves as a result of the 360-degree assessment
360-degree performance appraisal will motivate employees to perform well	1	
job performance will improves as a result of the 360-degree assessment	0.512	1

The correlation presented in the table above shows that there is a moderate positive relationship that the 360-degree performance appraisal will motivate employees to perform well and job performance will improve as a result of the 360-degree assessment. The two factors are moderately positively correlated by $r = 0.512$.

Open end question:

What is your overall opinion related to the implementation of 360-degree performance appraisal?

I have got only 5 answers out of 51 respondents, the answers as the following:

- Excellent
- It is good for career orientation
- i hope it has a useful reflection
- we need to improve all the system for evaluating , the employees should the feel fair specific on the evaluation on the company
- Overall I don't agree with the 360 Degree performance evaluation. I still favor on quarterly and annually review of performance based on the KPI. It is like class card where in your manager/supervisor and the employee review the achievements based on your performance or key performance indicator.

3. CONCLUSION AND FINDINGS:

In the literature study, it was discussed that the perception toward the implementation of the 360-degree method is overall positive and most of the researchers indicate that the employees have a positive opinion about the 360-degree method. This study reveals the employee opinion toward

implementing a 360-degree method. The results showed that the majority of the sampled employees were males; Most of the participants were between the ages of 26 and 30 years, the higher percentage of respondents hold a bachelor degree which can be understood that they are knowledgeable about their work environment and performance. Firstly, 65% of respondents agreed that the 360-degree performance appraisal is the best method to evaluate the employee's performance. Secondly, 45% agreed that their performance will improve if 360-degree performance appraisal will implement while 2% disagreed that. Thirdly, half of the respondents agreed that they accept the evaluate their performance by their subordinate. However, 6% disagreed that. related to the change of manager's behavior, most of the respondents (59%) agreed that their manager behavior will change after implementing the 360-degree method. Furthermore, the respondents agreed that the 360-degree method will motivate them to perform well. in the feedback of the open question, 2 out of 5 respondents has a positive opinion related to the 360-degree method, while, one of the respondents don't agree with the 360-degree method and still favor the quarterly and annually review of performance that based on Key Performance Indicators. Finally, Samsung engineering may employ the findings of this research study to indicate the employee's opinion if they decide to implement the 360-degree method in the future.

3.1 Recommendation:

Preparation is the first step in the process of implementing a 360-degree method, this is necessary regardless the purpose of the feedback.

Since there is some of the respondent's answer between neutral and disagree I recommend to Samsung engineering to well educate the employees about the 360-degree method so, employees will be informed of how their feedback will be used if they want to improve the evaluation process. also, explaining the advantage of the 360-degree method since 85% of all the Fortune 500 companies use the 360-degree feedback process which will improve the company performance overall.

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