

## **360 – DEGREE PERFORMANCE FEEDBACK SYSTEM IN TEXTILE INDUSTRY – A REALITY OR A MYTH**

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### **ABSTRACT**

Opting for Performance Appraisal is a universal tendency when one is working in a group. People appraise their own performance relating to others; business men compare not only their employees' performance but also their own business competitors. Basically performance appraisal is a periodical method of assessing the behaviour and performance of employees in the work spot, both in terms of quantitative and qualitative aspects of his professional approach based on a definite plan of action. Here performance refers to the degree of accomplishments of the task and how best an individual is fulfilling the entrusted job. Quite often the term is confused with that of efforts put in. But performance should always be measured in terms of results achieved and not mere efforts. It assumed more significance over the time, when employees are being elevated and paid based on theories of certain levels of planned output.

**KEYWORDS:** Performance Appraisal, Professional Approach, Quantitative and Qualitative

### **INTRODUCTION**

Formal appraisal of an individual's performance began in the Wei dynasty (221-265 AD) in China, where an *Imperial Rater* appraised the performance of members of the royal family. In ancient India, Kautilya in his famous book *Arthashastra* had recommended a judicious mix of incentive-based compensation and even suggested apt punishment to bring down possible cheating shirking during his era. A diplomat and warrior of the Maratha Empire in his royal proclamation on governance by name *Adnyapatra*, initiated that the "incompetent and inept officers should be sidetracked and be relieved tactfully.

Later on, with the onset of the industrial revolution, the importance of workers productivity was brought to the forefront. As the organization grew and the operations become multi-fold and complex, performance appraisal were devised not only to maintain consistency on the part of the employee's output but also to see eye to eye with the organizational vision and mission.

Broadly speaking, performance appraisal is used

- To provide information for making decisions with prudence regarding salary enhancement, promotion, demotion, transfer, layoff, retrenchment or termination of services etc.,
- To determine training needs for further improvement in their performance,
- To motivate employees by indicating their performance levels to improve productivity still further,

- To establish a basis for career path of an employee,
- To identify talent to create Leadership Pool,
- Validating recruitment and selection processes and
- To facilitate fair and equitable compensation based on performance.

A number of performance appraisal methods are being used by various organizations in accordance to their nature of business and volume of workforce. These include

- Confidential Reports,
- Rating Scales,
- Ranking System,
- Paired Comparison Method,
- Forced-Choice Method,
- Forced Distribution Method,
- Critical Incident Method,
- Cost Accounting Method and
- 360-Degree Feedback System

#### **Advent of 360 – Degree Feedback System**

The possibility of bias and prejudice exist while obtaining feedback when an individual assesses other by using multiple raters focused on trait-based scale. This version later has evolved into what we call today as the 360-degree feedback system. In this practice an individual is assessed by his superiors, his peers, his immediate subordinates and the customers with regard to his performance, support services and relative work output. This system is distinct from other similar models as the appraiser should be capable of prioritizing and determining what is more important and what is relatively less important. The stake holders involved in this pattern should be free from bias and prejudice and call '*a spade, a spade*' and they must act as a judge rather than an advocate in their assessments.

Of the various popular worldwide human resource techniques, 360 – degree appraisal system is one of the most recent practices followed by professional companies across the globe to build, retain, and develop their talent pool. At times when the job environment is extremely unpredictable and employee motivation is on a downward spiral everywhere, companies need to streamline their performance feedback mechanisms to avoid heavy employee churn. For most of such companies, 360-degree comes to their rescue at this stage to build upon credibility through its transparency and employee-friendly process. No doubt this model has broken the traditional mould and inverses the organizational pyramid ensuring reverse-accountability, where management is stands accountable to the employees. Pond's India, General Electric, Hindustan Liver Limited, Grasim, Colgate-Palmolive, Hewlett-Packard are some reputed concerns which practice this feedback model religiously. In most of professional IT companies like HCL, Infosys, TCS etc., this version is being viewed as a process with a highly structured Individual Development Plan (IDP) and various trainings, certifications, e-

modules, etc. which come as part and parcel of its process.

At Sanofi India, they use an array of tools to gather performance feedback and focus an equal amount of importance on ‘processing’ this feedback so as to enable the employees to effectively ‘build’ a career for both individual and organizational development. Therefore, they believe in using the 360 degree feedback mechanism very ‘selectively’ and ‘strategically’. Owing to the entry of multinational companies in India and their implementation of world-class policies, it becomes imperative for Indian companies also to adopt this model. Now that much water has flown under the bridge and even non IT companies also started to consider the 360-degree feedback, either as part of its performance management process or leadership development strategy’.

Knowledge and Skill and are the integral part of IT sector and these two form part of major investment in their business. In nutshell, if at all we claim that 360-degree feedback system works well in IT companies, it is the maturity level and as well as the educational qualification of the persons concerned involved in this process are sound enough to reap the dividends of this model. Here both the employer and the employee fully aware and understand the value and importance of this system and hence they go hand in hand towards the successful implementation of this practice. Hence one can safely opine that practicing 360 – degree feedback model is not only feasible and viable in IT sector, but also appears to be a reality.

### **360–Degree Feedback System - Its Impact in Textile Industry of Tamilnadu**

Textile industry is the mother industry of Tamilnadu state and its accounts for more than one third of the entire textile business of the country. It provides the second largest employment next to agriculture. It also provides employment for over 25 million people directly and indirectly in the state. Textile industry is the only manufacturing sector which can provide employment to people below the poverty line, particularly women from rural areas, who have very minimum education or even illiterate, irrespective of age. It is the highest employment generating source when compared to any other industry. Until recently agriculture used to be the main source of employment in many districts of Tamilnadu, but employment opportunities have become scarce partly due to drought. The 11<sup>th</sup> Five Year Plan Approach paper has estimated a job loss to over 10 million people during the plan period from the agriculture sector alone. Only the textile industry can rehabilitate and absorb these unemployed souls and sustain their livelihood. Government of India has envisaged Rs.1, 55,000 crores investment in textile industry alone and generation of employment to 15 million people during the plan period. Tamilnadu, being the textile hub of our nation has potential to grab one-third of the above investment. Thus textile is a sort on an industry which can ensure and affirm inclusive growth in the country.

From 1950 onwards, the textile mills in Tamilnadu, particularly in Coimbatore region had been facing frequent industrial relations issues due to the unchanging attitude among its workmen, inter-union rivalry and unrealistic approach of the trade union towards the management. The mills were pressurized to pay abnormal wages and bonus without any increase in productivity which in turn had eroded the profitability. The mushroom growth of small and large scale units in the rural areas occurred. Thanks to delicensing policy of 1991 and subsequent benefits extended to SSI units. The technological developments, globalization, delicensing broke the geographical barriers and many textile mills came into existence in south parts of Tamilnadu, especially in Dindigul, Rajapalayam, Madurai etc.,

With regard to spinning mills, non-managerial segment plays a vital role in ensuring productivity and efficiency in the shop floor level. Generally there are three non managerial segments which are expected to be involved in 360-degree

feedback system. They are (1) The operators or workers at shop floor level, (2) Foremen, (whom are neither a workmen nor a supervisory staff but considered to be an important link between the workmen and the supervisor) and (3) The shop floor supervisors.

Now let us review the role of workmen in performing 360-degree feedback system. As discussed above, globalization has led to feminization of workforce in textile industry in which labour form major part of production cost. Female labour was preferred over male since it is cheaper and female workers are seen as more docile and loyal than their male counterparts since they are less inclined to join in trade union activities. The demand for labour has substantially and hence textile mills started recruiting women with minimum education background from rural areas hailing from below poverty line group. Further, as there is no restriction for employment women during night hours between 10 PM and 6 AM the textile mills started employing women in all the three shifts. As there are many departments in the process of spinning mill viz., Blow Room, Carding, Drawing, Comber, Simplex, Spinning, Winding and Packing operations these women workers are being recruited in a big way. In the course of time this pattern of women employment has also gradually got implemented in composite mills and as well as in garments units.

With this backdrop, let me table the role of workmen, relatively in terms of educational qualification which can ensure a fool-proof feedback mechanism. Most of the textile jobs, especially in spinning units require minimum educational qualifications and slim and medium physical composition. They ergonomically require swift finger dexterity to perform the short cycle. Most of the jobs could be performed in less than five seconds and many routines are being carried out even in a fraction of second, like doffing, piecing, creeling in spinning units and sewing in garment units. Except certain imported machines, (which were originally designed for them to suit their physical conditions, like Sliver Lab and Ribbon Lab) all other machines suit very well to the physical conditions of the Indian women. The maximum educational qualification preferred for the textile job remains to 10<sup>th</sup> standard. They need to know simple arithmetical calculations, understanding the displays of the touch screens or digital displays, numbers, simple English words, regional languages to follow the self styled tailor made training manual and they should be able to write legibly in regional language that they know and understand. They also need to have an average level of IQ to follow the instructions of their supervisors. Women with higher qualification do not match the requirements and over a period, their ambitions become too high thereby resulting into job dissatisfaction. Taking into account all such prerequisites, rural women were found to be ideal for the textile jobs. So much so an important value of judiciously assessing the foremen or supervisors as the case may be is deprived off from the workers point of view. As such, it is not fair to foresee a better and constructive role from workmen in 360-degree feedback system as they are not capable of practicing this system as it should be.

Then comes the role of foremen. They are actually ground level technical staff attached to electrical, engineering and maintenance sections. They are deployed to oversee and set right breakdown and preventive maintenance of machines. They are basically ITI trade certificate holders and in certain cases operators with blemish less service can also be elevated to this cadre. Though they are technically sound in machine management, as of now, it is afraid that their role 360-degree feedback system may not be all that effective, as they also falling short of basic sense that is to be necessarily applied in this feedback practice. But still it appears that they can do a better job, if they are exclusively trained to do some justice through this model.

Supervisors are the real shop floor executors and they carry out the production assignments with the help of both foremen and the operators. They possess Diploma in Textile Technology (DTT) and report for duties in shifts. During the

previous labour deployment, the role of the supervisor was not all that with stress and strains as most of their instructions were suggestive. Reason being the then operators (most of them were men) was reasonably knowledgeable which was gained over the years by their sheer experience and exposure. They need not be supervised now and then as they well aware of their role, what to do? What not to do? But now, after the advent of women employment the situation is entirely different. Since he has to extract work from the unskilled, untrained labour force he is expected to run *helter-skelter* in order to control and caution his cadres on every activity. The invisible dust and fume, noise, heat generated by high speed motors etc make their role still tougher and overall they always foresee uphill tasks, day one and day out. Though they are capable and effective enough, the present shop floor hassles, workloads and the threads of occupational hazards make them less serious and reluctant in 360-degree feedback system.

All these typical composition in the shop floor level has apparently led to weak links in terms of subordinate and superior feedback systems and makes textile industry inept to implement the 360-degree feedback process with a definite purpose.

Of all the numerous advantages that come with implementing this feedback process, employees often express their contentment over the fact that there is a decline in politics.

360-degree feedback by itself is not the panacea for workforce politics (which is not always and necessarily dysfunctional!). If the organizational culture has reached the level of maturity where feedback can be honest and candid, a 360-degree feedback may not even need to be anonymous. Saumen Chakraborty, President and Global Head of Quality, HR and IT, Dr. Reddy's Labs says, 'this will not free the employees completely from the hassles of workplace politics. There could be many reasons and forms of such politics and hence any single instrument cannot provide the whole relief. However, the existence of a 360-degree feedback process enhances the transparency and trusting climate in the organization'.

Obviously, this feedback mechanism is bound to be advantageous to teams in the middle and senior management. Does it trickle down to the bottom of the pyramid? Does it make sense to apply 360-degree feedback to employees of all cadres? Are there any limitations? K.Vaitheeswaran, CEO and Founder, Indiaplaza.com says that 360-degree feedback is best suited to middle and senior management professionals. These are employees who through their decisions can influence large groups beyond their immediate teams. It makes sense to implement this process for such employees only. It is important to note that the employee who is being subjected to 360-degree feedback needs to have an openness and humility to receive such feedback from subordinates and associates act upon them." Saumen adds, 'normally, from a cost benefit perspective, most organizations deploy 360-degree feedback from middle management upwards. There are several engagement tools including organization climate survey, speak out open house, whistle blowing, etc. covering the entire workforce of the organization to capture the spirit of listening to the voice at the bottom of the pyramid.'

Alongside the numerous benefits, the 360-degree feedback process in textile industry is also prone to some risks- the most important being the misuse of authority by groups of people. Unlike the traditional approach, where the reporting manager determines everything, it now gets into the hands of a group of people. If the group has common interests against a particular employee, the group might misuse this process to its advantage. Here are some ideas by industry experts that can be incorporated by any company to avoid such problems. Prabhir Jha says, "This indeed depends on the prevailing organizational culture and also on the maturity of the process. Initially, one may run this risk but the process could have enough checks and balances to ensure the respondents are randomly selected by a more neutral agency and are fairly

representative of various stakeholder groups. "Saumen adds,"This can be ensured by the design of the instrument and its administration. Nobody should be given the freedom to choose the constituency of 360-degree feedback providers. Peers could be selected at random. Internal and external customers should be included. All direct reports and a sample out of the indirect reports to a manager could constitute together the list of feedback providers."

Nevertheless, clarity in the performance feedback process coupled with strong policies that provide no room for authority misuse is always helpful in improving the performance of employees while ensuring they are always motivated. Now much water has flown under the bridge. No other organizational practice generates so much panic or heartburn among employees as the practice of 360-degree feedback system. After announcement of the appraisal results, management quite often waits with

## **CONCLUSIONS**

None of the methods for appraising performance is absolutely valid or reliable. Each has its own strengths and weakness. The adoption of 360-degree feedback method by different Indian companies seems to have been influenced more by their desire to adopt the latest management craze rather than to implement it in true letter and spirit. For the successful implementation of 360-degree feedback system, a good level of openness and mental maturity on the part of its stake holders is required. In our own traditional and typical mindset and brought up, we always go for soft-pedaling with both our subordinates and the superiors, whomever they are. Textile sector is not different from this outlook and as such any latest management fad, including 360-degree feedback system, will remain as a myth and a distant dream as of now.