



## **A Study on 360 Degree Performance Appraisal in Public Sector Undertakings with Specific Reference to Bharat Electronics Limited (BEL) – A Theoretical Assimilation**

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DOI: <https://doi.org/10.55248/genpi.2023.4.33555>

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### **ABSTRACT:**

With the exception of the 1970s, when the agricultural sector saw a considerable expansion and the market began to recover a decade later, the Indian economy has been in a state of near stasis since Independence. However, the fundamental economic transformation did not occur until 1991, when global demand increased, foreign investments increased, the Indian government adopted a commitment-based fiscal policy, and the country's economy transitioned from a socialist to a free-market system (Mohan, 2008). The market worth of an organization now days depends more on intangible resources than on tangible ones. Human resources are a key type of intangible resource that greatly affects an organization's market value. Organizational effectiveness is significantly impacted by an efficient performance appraisal system. The business must also make the most of the skills and abilities of its workers by fostering a climate that is conducive to learning, making it simple for employees to exchange knowledge, and using that knowledge to advance the organization's overall objectives. The tertiary sector, which includes information technology, communications, and entertainment, and the secondary sector, which includes manufacturing, both made significant contributions (Nagaraj, 2000). A gap has been established for Indian organizations to transition from the "collectivism" nature (Hofstede, 1980) of human resource practices to more liberal and widely accepted methods. This gap has been caused by changes in economic structure and globalization. The purpose of this study is to provide light on the present 360- and 720-degree performance appraisal procedures in Indian enterprises. This research paper will also look at the benefits and drawbacks of performance reviews, as well as how they affect globalization trends, teamwork, proactivity, and continual learning (Sonnentag, 2002). This study analyzes the requirement for contemporary 360 and 720 degree performance appraisal systems for Indian enterprises, with a focus on Bharat Electronics Limited.

**Keywords:** 360 degree performance appraisal, foreign investments, globalization trends, teamwork, proactivity, Bharat Electronics Limited (BEL)

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### **Introduction:**

Practices in human resource management have emerged as crucial to an organization's success. Along with enhancing interactions with technology and business processes, good human resource practices also assist people become more competent for high performance. Performance evaluation is one of the HR procedures that has the most impact. Performance evaluation is a human resources practice used to assess employee performance. Employee organizational effectiveness is significantly impacted by a successful performance appraisal system. Employees that do well are encouraged by the performance appraisal system. The information provided by a performance appraisal system is helpful in identifying areas where employees need to improve. The assessment of training and development needs for employees, the identification of employee weaknesses, the provision of feedback to employers and employees regarding employee performance, and the identification of employee strengths and weaknesses all contribute to increased organizational productivity. Employers are in a position to help employees improve their performance after evaluating performance. A practice called 360-degree feedback enables an employee to become aware of their advantages and disadvantages. An employee receives feedback from the employer and other staff members, including coworkers, colleagues, subordinates, and people who work in the same setting. They evaluate their performance and exchange advice on how to make it better. Practices in human resource management have emerged as crucial to an organization's success. Along with enhancing interactions with technology and business processes, good human resource practices also assist people become more competent for high performance. Performance evaluation is one of the HR procedures that have the most impact. Performance evaluation is a human resources practice used to assess employee performance. Employee organizational effectiveness is significantly impacted by a successful performance appraisal system. Employees that do well are encouraged by the performance appraisal system. The information provided by a performance appraisal system is helpful in

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#### ***An overview of Bharat Electronics Limited (BEL):***

With around nine plants and a number of regional offices in India, Bharat Electronics Limited is a state-owned aerospace and defense firm in India. It is government-owned and primarily produces cutting-edge electronic goods for the Indian Military Services. The Government of India established Bharat Electronics Limited (BEL) under the Ministry of Defence in Bangalore in 1954 with the goal of making the nation self-sufficient in defense electronics (MoD). BEL has come a long way from its modest beginnings. It is presently India's top defense electronics business and a Navratna PSU. BEL is a multi-product, multi-technology, multi-Unit conglomerate that offers more than 350 products in the fields of radars, missile systems, military communications, naval systems, electronic warfare & avionics, C4I systems, electro optics, tank electronics & gun/weapon system upgrades, solar photovoltaic systems, electronic components, and civilian goods. The variety of items ranges from small, inexpensive components to massive, expensive systems. The business offers complete systems solutions and has acquired competence over the years. Despite the fact that between 80 and 85 percent of BEL's revenue still comes from the defense sector, its civilian products, such as solar traffic lights and electronic voting machines, have resonated with the general public (EVMs). Election voting in India has been reimagined thanks to BEL's trustworthy and tamper-proof EVMs, enabling free and fair elections. The Department of Telecommunications, Doordarshan, All India Radio, the Army, Navy, Air Force, Paramilitary, Coast Guard, Police, and consumers of professional electronic components are among BEL's clients. One of BEL's key assets has been research and

development, which has helped the company keep a lead in the defense electronics industry. The business has been investing 8% of its revenue in R&D. BEL has a sizable infrastructure; its industrial network is dispersed among 9 Units in various parts of the nation. Regardless of the hour or the terrain, BEL offers after-sales service whenever and wherever it is needed. For instance, it received praise for its assistance to the Defense forces during the Kargil operation.

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#### **Review of Literature:**

**Curtis (2020)** emphasized the benefits of 360-degree feedback for organizations. Everyone may not feel comfortable when 360-degree appraisal is implemented, but it is a necessary step in the process of change. A better management style, better communication, greater teamwork, a better awareness of strengths and weaknesses, and an appreciation of the significance of solid interpersonal skills may all be attributed to 360-degree feedback.

**According to Newbold (2020)**, 360-degree reviews are timeless. A useful complement to the performance management system is 360-degree evaluations. It ought to be compatible with the organization's strategic goal. The author also emphasizes the 360-degree appraisal's effectiveness. It is only successful because of a select number of criteria, including the clarity of the purpose, organizational readiness, staff preparation, the required operating procedures, and effective feedback delivery.

**According to Behn (2019)**, there are two main goals for carrying out performance reviews. Providing data on work performance for administrative decision-making is one of the goals. Performance evaluation data is typically used to guide decisions about pay raises, incentives, training, promotions, and other administrative actions.

**Hallam (2018)** talks about how 360-degree aggregate reporting may advance human resource management. An organization's "people" are its main source of competitive advantage. 360-degree aggregate reports assist a firm in marketing its strengths in innovation and customer service, which helps to boost sales and profitability. Organizations look at collaborative projects that aid in developing, coaching, and training using 360-degree aggregate data as a useful statistic. Human resource specialists have the tools necessary today to examine the 360-degree aggregate data and support more efficient staff management.

**Swaha Bhattacharya and Monimala Mukherjee (2013)** provided information about the connection between organizational climate and human resource planning. Employee productivity is influenced by factors such as organizational structure, a positive work environment, effective communication, good compensation, etc. In addition, the length of service has a big impact on how the organization's culture is regarded and on human resource management.

**According to Espinilla et al. (2013)**, performance appraisal systems are particularly effective if a business use multiple techniques for gauging an employee's performance. They also stated that no performance review system, not even a 360-degree approach, is effective. The study came to the

conclusion that, when done correctly, performance appraisal is an effective program.

According to Choon & Embi (2012), performance appraisal is one of the important ways of appraisal and is described as a program for evaluating performance based on results. The study demonstrates that performance evaluation is a program that examines how the goals are to be attained. The created action plan is subsequently made available to the staff for implementation.

#### Significance of 360 degree Performance Appraisal:

Companies attempt 360-degree employee reviews using a variety of techniques. All chosen strategies depend on the environment and culture of the firm, however some are more well-liked than others. In the majority of firms that require 360-degree assessments, the manager solicits and receives feedback. The supervisor then examines the data to identify patterns of behavior that can be seen. Positive and helpful feedback is what the manager is searching for. A 360-degree feedback system, often referred to as a multi-rater feedback system, multi-source feedback system, or multi-source assessment, collects evaluations from an employee's peers, coworkers, and managers as well as their own self-evaluation. In more advanced companies with a culture of trust, employees are giving each other direct feedback. The boss does not act as a gatekeeper or mediator to stop workers from providing direct feedback.

## 360 Performance Review Process



Above image showing 360 degree performance review process

### Key process involved in appraisal:

#### Confidentiality:

Coworkers might be more forthright and honest when they know that their comments won't be associated with them, but many might worry that their responses won't be kept private. Online survey participants and respondents can feel secure knowing that their information won't be made publicly available by selecting a trusted vendor.

#### Candor:

When utilizing online survey vendors, HR must make sure that the instructions make clear how crucial it is for responders to be honest and not to worry about the self-esteem of maimed subjects. People should be expected to be direct and candid while making sure that their remarks are helpful.

#### Transparency:

When doing a 360, HR and the director of the individual should be clear with the coach, the subject, and the respondents about the purpose of the 360. Is it for overall growth (like establishing a coaching baseline)? Is there a particular performance issue that worries you? Both the subject and the coach should be informed if the subject's employment is in jeopardy.

#### Customization:

Many online 360s allow for customization. This is mostly done to reflect the company's language, as well as its vision, mission, and prized abilities. Customized surveys may also be necessary in special cases, such as when a company has combined with another one and issues about the executive's

relationships with other executives inside the new entity arise.

#### **Follow up:**

Many online survey systems just generate a summary report; nevertheless, they are never designed to provide 360-degree views of a field. Without prior information and assistance, the subject might not be able to use the feedback, leading them to doubt the system's usefulness. So, in this industry, following up is essential.

#### **Performance appraisal at BEL:**

The Department of Defence Production is in charge of identifying issues that are beyond the management of BEL and offering potential solutions. When questioned about the number of BEL problems that were brought to the department's attention and the effectiveness with which those problems were addressed, the Department of Defence Production responded that BEL receives the necessary support from the Ministry of Defence, which includes not only identifying the issues that are beyond the company's control but also assisting the company in resolving those problems. A few of these examples are provided below:

- The Ministry offers assistance in resolving export clearance-related problems whenever BEL encounters them. One such instance is the Slew Ring Bearings used in the Akash Weapon System, where the Ministry assisted BEL in obtaining export authorization through conversations with the German and Indian authorities and the German Embassy. The project moved forward as planned as a result of this.
- Due to the fact that this type of missile was being produced by OEM for the first time while the Akash Weapon System project was being carried out, BEL had issues with the delayed supply of missiles by one of the consortium partners. The Ministry stepped in to help overcome these problems and made it possible for missiles to be supplied.
- The delivery timetable was impacted by the difficulty in obtaining site clearance for some of the sites while the Coastal Surveillance System Project was being carried out along the Indian Coastline. The Ministry took the proper action to help BEL resolve these problems.

It was claimed that the Ministry has been providing the necessary help in acquiring orders to fulfill the desired turnover. This is in reference to particular guidelines or instructions that were issued by the Department to ensure that BEL's intended physical and financial performance are accomplished. The Ministry's review meetings on the status of significant projects with customer representatives have helped to resolve important project-related concerns, guaranteeing a seamless project delivery. In order to achieve the desired physical and financial performance, the Ministry frequently issues official directives or orders to BEL. To enable BEL to implement the necessary corrective measures and meet its annual goals, the performance of the Company is routinely assessed and monitored. The timely delivery of equipment to satisfy the needs of the armed forces was highly valued by the ministry.

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#### **Conclusion:**

A systematic evaluation of a person's performance is known as a performance appraisal. Performance is evaluated in relation to elements including job knowledge, output quality and quantity, initiative, leadership potential, management skills, reliability, teamwork, judgment, and adaptability. The 360-degree performance review received enthusiastic cooperation from the workforce and was determined to have a significant positive impact on employee performance. The 360-degree performance review fosters an environment at work that values employee involvement. Multi-rater evaluations, multi-source feedback, or 360-degree profiling are other names for 360-degree feedback. It is essentially a procedure that enables a person to get input from a variety of people in their immediate environment. The goal of the feedback varies from organization to organization in most cases. 360-degree feedback serves as a tool for both organizational and personal development, assisting individuals in identifying their own growth areas. The transparency of the assessment process, the clarity of its aims, and its direct communication to all employees, including those at the lowest levels of the organization, are crucial to its effectiveness.

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