

**EXTENT OF ADOPTION OF 360-DEGREE EMPLOYEE PERFORMANCE APPRAISAL
PROCESS IN PRIVATE SECONDARY SCHOOLS IN NAIROBI**

JERUSA CLAIR OUKO

**A Management Research Project Submitted In Partial Fulfillment of the Requirements for the
Award of Master of Business Administration (MBA) Degree**

October 2008



DECLARATION

This research project is my original work and has not been presented for a degree in any other University.

Signed.......... Date..... 20 11 - 2008

Jerusha Clair Ouko (Student)

This research report has been submitted for examination with my approval as university supervisor.

Signed.......... Date..... 20 11 08

Mr. George Omondi (Supervisor)

**School of Business
University of Nairobi.**

DEDICATION

For Benjamin Muga Ouko

ACKNOWLEDGEMENT

Sincere gratitude to my supervisor Mr. George Omondi for his comments and guidance towards the completion of this project. Special thanks to the management and staff of the schools involved in the research. A big 'thank you' to Gabby for all money matters. To the Marutis, Oukos and Luigino for moral support and the push I needed to see it through.

ABSTRACT

A well carried out 360-degree performance appraisal looks closely at an employees work and has the capacity to improve not only his work but the organisation's output without compromising the employees self esteem. The study had two objectives; to establish the extent of adoption of 360-degree employee performance appraisal in private secondary schools in Nairobi and to determine its effect on employee job satisfaction.

To meet these objectives the researcher used a survey design and proportionate stratified random sampling procedure to select the sample units. 30% of employees in each school of study were selected resulting in a total of 133 respondents. Data was collected through a semi structured questionnaire and analyzed using frequency distribution tables and graphs. The research findings revealed that 360-degree employee performance appraisal has been widely adopted in private secondary schools in Nairobi. The study also showed that employee job satisfaction is influenced positively by this appraisal method that allows for an all round gauge of an employees performance. 360-degree performance appraisal is used in the private schools to enhance individual teachers' work performance thus bringing about improvement in quality and accuracy of work, job knowledge, ability to work as team members and quantity in output. It is recommended that studies should be done to evaluate the challenges faced by organisations in adopting the 360-Degree Appraisal.

TABLE OF CONTENTS

Declaration	i
Dedication	ii
Acknowledgement	iii
Abstract	iv
List of Tables	vii
List of Figures	viii
CHAPTER ONE: INTRODUCTION	1
1.1 Background.....	1
1.2 360-Degrees Performance Appraisal.....	1
1.3 Private Secondary Schools in Kenya.....	4
1.4 Statement of the Problem.....	7
1.5 Objectives of the Study.....	8
1.6 Importance of the Study.....	8
CHAPTER TWO: LITERATURE REVIEW	10
2.1 Performance Appraisal	10
2.2 Features of 360-Degree Performance Appraisal.....	12
2.3 Process of 360-Degree Performance Appraisal.....	13
2.4 Benefits of 360-Degree Performance Appraisal.....	20
2.5 Challenges in Implementing the 360-Degree Performance Appraisal	22

CHAPTER THREE: RESEARCH METHODOLOGY	24
3.1 Research Design	24
3.2 Population	24
3.3 Sample	24
3.4 Data Collection	24
3.5 Data Analysis	25
CHAPTER FOUR: DATA ANALYSIS AND FINDINGS	26
4.1 Introduction	26
4.2 Demographic Characteristics of the Respondents	26
4.3 The Extent of Adoption of 360-Degree Performance Appraisals	31
4.4 360-Degree Performance Appraisal and Job Satisfaction	37
CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS	39
5.1 Introduction	39
5.2 Summary	39
5.3 Conclusion	40
5.4 Recommendations	40
5.5 Limitations of the Study	41
5.6 Suggestions for Further Research	41
References	43
Appendices	46

LIST OF TABLES

Table 1	Distribution of Respondents per School	20
---------	--	----

LIST OF FIGURES

Figure 1	Age of Respondents	29
Figure 2	Duration of Employment.....	30
Figure 3	Extent of Adoption of 360-degree Performance Appraisals in Schools.....	32

CHAPTER ONE: INTRODUCTION

1.1 Background

Well-done Performance appraisals consist of a systematic, face-to-face discussion of an employee's work performance, training and development needs, future job goals and job aspirations. Performance management is central to most human resource practices, Fletcher (1999). Bascal (1998) revealed that as organizations tried to increase productivity and performance, there was an increased emphasis on appraisals. In addition to this, there had been a trend through development in 'employment law' (e.g., unfair dismissal legislation) for performance appraisals to be viewed as important documentation for legal protection. This reason alone is sufficient to emphasize the importance of valid and equitable appraisal management.

1.2 360-Degrees Performance Appraisal

360-degree performance appraisal originated in the commercial sector in the United States, and refers to "full circle" feedback from bosses, peers, and those junior to the person to be appraised. It is sometimes referred to as "multi-source feedback." An individual seeks feedback about his or her performance at work from a variety of colleagues with the aim of using it to highlight areas of strength and those in need of improvement, King (2002).

Edwards et al (2002) said a 360-degree feedback is always an emotionally strong experience, and as such everything has to be made so that this experience turns positive for each individual. The process needs to be non-threatening, easy to manage and to be coached by highly professional staff for the discovery of results and the integration and transformation of results into an appropriate development plan. It should also not affect the employee's job satisfaction negatively.

Davis (1999) commented that organizations structuring of de-layering, flatter hierarchies and a greater emphasis on team-working meant that many managers now had greater spans of control. As a result, an employee's peers or other work contacts could often have as much idea of how that person was performing as the line manager. 360-degree performance appraisals were gaining in popularity as more organizations encouraged employees to take charge of their own career development. The key starting point for development was seen as an accurate and honest appraisal of the individual.

360-degree performance appraisals are often used as one of several tools in the process of identifying training and development needs. Historically, they have been rarely linked to decisions on pay. A study by King (2002) established that this method evolved as the limitations of the more traditional "top down" appraisal became apparent, that it was perceived as unfair, biased, limited to one person's perspective (usually the boss), and often demotivating. 360-degree appraisal had the potential to overcome these problems. 360-degree appraisals can be used for two broad purposes—to make decisions about pay and promotion (performance management) and to determine how people are developing their skills and competencies. Due to potential for bias, most organizations no longer use it for performance management and recognize it as a developmental tool. It is designed to look at the behaviors (or competencies) that are key to a job including teamwork, communication, managing others, and interpersonal skills. As the business culture has moved towards looking not only at what people do but how they do it, 360-degree appraisal feedback provides a way of measuring relevant behaviors.

Basal (2004) stated that 360-degree performance appraisal exists to help everyone succeed, and unless employees work with management, it can't work well. These factors among others jointly influence the success of achieving positive results after the adoption of a 360-degree performance appraisal resulting in employee development, performance management and improved/positive

attitudes in the organization. Performance appraisal will capture the best out of everyone and help minimize the problems. 360-degree performance appraisal has mostly been adopted by organizations that are considered learning organizations.

The learning organization refers to that organization that is constantly developing and changing to fit into the environment of the day and thus gain or maintain competitive advantage to stay alive. Murray (2005). He states that this organization allows its members to develop in order to bring new and better ways of performance into the organization. Many of these organizations are thus priding themselves in adopting the most reliable performance appraisal techniques to stay on top. He also suggests that the learning organization ensures that through its employees' age, experience and level of education the best is derived from the different organizational inputs. The organization that has employees who have worked for a certain period of time, who have some experience, approximately seven years, are not too old and are willing to learn, are at an optimal age, 30-45 to accept 360-degree performance appraisal and put feedback into good use. A certain level of education is necessary to ensure proper understanding of the working of 360-degree appraisal process and to allow employees to be raters or ratees. The employees considered for these two categories should have at least a diploma certificate.

Antonioni (1996) said that they tend to be departments with an open and supportive culture, whose members are willing to learn from the feedback and use it to enhance team performance. Appraisals in general are credited with reducing employee job satisfaction since most employees feel threatened by others, especially supervisors looking critically at their work. However, 360-degree performance appraisal reduces the chances of this happening as it concentrates on developing the employees to work better by clearly defining job expectations, allowing employees to demand what they need to do their jobs well and removing the risk of a bias top down appraisal where the supervisors can decide not

to be objective. 360-degree appraisals thus affect employee job satisfaction positively and consequently lead to a better delivery of duties.

1.3 Private Secondary Schools in Kenya

Formal schooling in Kenya was introduced by the missionaries and later taken over by the government after independence. The demand for quality education became increasingly challenging to post independent government and Kamunge (1998) recommended establishment of private learning schools to supplement government efforts. Private secondary schools are not administered by the government and thus retain the right to select teachers and student bodies. They are funded in whole or in part by charging their students rather than with government funds. The secondary level includes schools offering Form 1 to Form 4 (or Form 6 for those following a different educational curriculum than the 8 4:4 system recommended by the government). The schools include both boarding and day schools, Roach (2002).

Odera (2002) said that tuition at private secondary schools varied from school to school and depended on many factors, including the location of the school, the willingness of parents to pay, the kind of extra curricular activities offered and the school policy on financial aid (bursary funds). High tuition fees are used to pay higher salaries for the best teachers, and also used to provide enriched learning environments including a low student to teacher ratio, small class sizes and services such as well stocked libraries, science laboratories, and well equipped computer laboratories. Religiously affiliated schools form a distinct category of private schools. Many maintain a fine distinction between academics and religion. Private schools may avoid some government regulations, although in the name of educational quality, most comply with regulations relating to the educational content of classes. The private sector has continued to grow and currently there are over one hundred private secondary schools in Nairobi alone.

Roche (2002) argued that to become well-known and respected education providers in the country, it was important to understand the importance of open and sincere relationships between students and teachers and the primary importance of parents. A well-managed and motivated human resource could help solve many if not all of the problems experienced in schools and lead to the development of a complete individual, which is the ultimate reason for education. It is also important that teachers feel important and satisfied with their jobs for them to be willing to give their best to the education of the students. Many times if a teacher feels unappreciated or lacks job satisfaction her performance is poor, and in fact can lead to a high teacher turnover rate.

It is by ensuring that the staff is empowered and motivated that the vision of giving an all round education is realized, and consequently excellent academic results follow. Talking to the consumers (largely students and parents) and finding out their needs ensures the institution is constantly aware of not only the academic needs (which are already provided by the relevant government body), but also all the other needs of the individual that need to be fulfilled for her to develop as a complete person. Odera (2002). Teamwork ensures better running of schools and efficient service delivery to students, and thus schools should involve teachers, parents and the local community in school matters and most definitely in performance appraisals.

Iraki (2005) said that the Kenya Certificate of Secondary Education is more than (student and teacher performance) results; it is an audit of our school system, which is closely tied to our political-economic system. Like all audits, we need improvements. That is what makes a country progress. Good schools have an effect that is transmitted through the system and generations.

These comments are given by professionals engaged in offering education in Nairobi and perhaps explain one possible cause of discipline and good performance of students in private secondary

schools, and the high levels of motivation among the teachers. In the last secondary schools national examination, Kenya Certificate of Secondary Examination (KCSE), out of the top 20 schools in the country, 14 were private schools. Kenya Education Directory (2005).

Redman (1995) argued that in the public school system in the United States public school districts had taken on the challenge by creating full-blown, 360-degree performance appraisal systems for educators that were accurate and effective and required little work on the part of the evaluatee. "Done right, 360-degree appraisals could be the keystone to school transformation efforts," said Redman. In his final report for the Carnegie Corporation's Board Certification Project, he concluded that every method one can imagine for teacher performance evaluation is marred in a fundamental way. The solution, he argued, would be a judicious blend of assessment methods. The School Improvement Model research team at Iowa State University's College of Education reached the same conclusion in the early 1980s.

A workforce that is committed to the all round education of students, to achieving good results academically, is motivated and has job satisfaction may be in a good position to put an end to the worrying trend rampant in schools where students engage in riots, arson, etc and have poor results in national examinations. These problems would perhaps be solved if a proper performance appraisal process is done. 360-degree appraisal process may be a solution to these problems by ensuring that all schools know exactly what the government, administration, peers, parents and students expect of them and work toward achieving these objectives. Private school management employ their own teachers and it would also only be fair to all if the appraisal system were all round and based wholly on possibilities of trying to improve the education given in the school and to develop the teachers further.

1.4 Statement of the Problem

A well carried out 'all round assessment' helps employees to improve themselves and improve attitudes in the organization allowing for a conducive environment for development and job satisfaction. Waldman (1998) shows that 360-degree performance appraisal allows for such an environment to be achieved. The basic concept in 360-degree appraisal makes obvious sense in soliciting feedback not only from the supervisor but also from others to ensure we are living up to their expectations, (psychological contract), thus ensuring we are playing the right role in the organization. Waldman (1998) does not however specify the parameters required to ensure the success of the process. This leads to the question of what extent of the process would be and how many contracts one can have with other employees/clients and still be in a position to live up to all of them.

Organization culture determines greatly the acceptance and consequent use of feedback. In the Kenyan context managers and employees are not close enough to allow for free interaction, which should lead to an honest appraisal feedback. Murray (2005) shows that organizations striving to develop an open and participative approach give employees the chance to say what they think of their managers and vice versa. Appraisals that require feedback from a number of sources including employees supervised by the managers can only work in a culture where managers and employees are willing to listen and learn and to effect any necessary changes as a result. There would be no point in introducing 360-degree appraisal in organizations where employees are afraid to say anything other than what they think their bosses want them to say. The gain of 360-degree performance appraisal is input from so many people that know the employee's work. Peers and customers should give feedback. Employees feel it's fairer and do not expect repercussions that may cause dissatisfaction with their work.

These studies show the need for further studies to be done to see whether Kenyan organizations have developed these open cultures that would enable 360-degree performance appraisal to be successful

and how they may affect employee job satisfaction. King (2002) says traditional performance appraisals cause employees to be dissatisfied with their jobs as they do not know exactly what is expected of them, they feel management is biased towards them and they are not given a chance to say what they need to improve their work. This study will show whether 360-degree performance appraisal really does reduce the negativism that causes fear in the employee leading to job dissatisfaction. Roach (2002) says private secondary school teachers find themselves with a number of psychological contracts ranging from the school administration to the parents of the students. Thus private schools often try to ensure that the practices in the schools as concerns appraisal are those that increase performance as it concerns both teachers and students. A study would bring out the extent to which these private schools have adopted 360-degree employee performance appraisal.

1.5 Objectives of the Study

The study was intended to accomplish the following objectives:

- i. To establish the extent to which private secondary schools in Nairobi have adopted 360-degree employee performance appraisal.
- ii. To determine the effect of 360-degree employee performance appraisal on employee job satisfaction

1.6 Importance of the Study

360-degree performance appraisal is a process in which an individual seeks feedback about his performance at work from a variety of colleagues with the aim of using it to highlight areas of strength and those in need of improvement, Edwards (2002). To be effective and constructive, the performance manager makes every effort to obtain as much objective information about the employee's performance as possible. Resulting from this study will be the proof needed by other institutions for the effectiveness of adopting an appraisal system that allows for

development of an all rounded individual. The results of this study can be used by the learning organizations of Kenya to constantly improve their human resource capacity.

- ii. The popularity of 360-degree appraisal has increased as outcome in performance has been seen to increase. Peiperl (2001) says a five-year study of 360-degree appraisal process in the Hot Springs County School District in Thermopolis, Wyoming, in the United States of America identified a 15 percent increase in achievement across all school subjects measured by standardized tests. These gains occurred over the period with no decline in job satisfaction among teachers and head teachers due to the included accountability of 360-degree appraisal. To see improvement in academic performance it would be ideal for schools in Kenya to adopt such an effective appraisal tool.
- iii. Results can also be used by human resource practitioners, for the benefit of further adopting 360-degree performance appraisals to the Kenyan environment. It is hoped that the study will give incentives for further studies by academicians who would be interested in constantly increasing the wealth of knowledge in different fields and in particular, appraisal systems.

CHAPTER TWO: LITERATURE REVIEW

2.1 Performance Appraisal

King (2002) showed that until the later 1960s feedback on work usually came top down either as part of a yearly performance appraisal or after a particularly disastrous event at the company. This started to change with the advent of sensitivity groups ('T' groups) when employees came together to learn how people felt about each other with focus on growth and development. This led to the idea of increasing employee influence and autonomy (employee empowerment) in the 1980s, giving birth to 360-degree performance appraisal.

Kirksey (2002) stated that the need for accurate, fair performance measurement had increased exponentially as most organizations faced increasingly flatter structures, greater internal changes, and more external competitive pressures. The solution is provided by 360-degree performance appraisals. They offer an alternative method by which organizations can gain more useful performance information about employees-and make them more accountable to their various customers. The 360-degree appraisal significantly differs from the traditional supervisor-subordinate performance evaluation. Rather than having a single person play judge, a 360-degree appraisal acts more like a jury. The people who actually deal with the employee each day create a pool of information and perspectives on which the supervisor may act. This group of individuals is made up of both internal and external customers. Internal customers may include supervisors, top management, subordinates, co-workers, and representatives from other departments who interact with the ratee. External customers may include clients, suppliers, consultants and community officials. Anyone who has useful information on how the employee does the job may be a source in the appraisal.

Peiperl (2001) said 360-degree performance appraisal is so well established in American business and industry that it had become a recurring theme in day-to-day life and was even depicted in cartoons. The employee is evaluated by all who have contact with him: supervisors, peers, clients, and the public. In his studies many school administrators, in their preparation programs or in professional reading, have learned how multi-source personnel evaluations are much better than a unilateral rating by the boss. 360-degree appraisal has the potential to be a useful tool for individual and team development, when used responsibly. It is essential that best practice be shared so that tools become standardized. He says 360-degree appraisal has a great deal to offer and could provide what he calls "the gift to see ourselves as others see us for the betterment of the organization." It could also be used to ensure that employees remain satisfied with their jobs and thus increase individual and organization's performance levels.

Burk (2003) showed that the feedback from a number of employees also helped to clarify job roles and expectations which may have been a source of frequent disagreement and could result in job dissatisfaction. Employees agreed that 360-degree appraisals are fairer because peers know behaviors best and insist on giving more valid ratings. When 360-degree appraisals were used to obtain information about an employee with supervisory responsibilities feedback revealed that he was not listening to those he supervised and was also overly critical. This allowed the manager to take corrective action. Prior to the appraisal, reliance was only based on grapevine murmurs and the manager's own limited observations of the employee. In addition to providing broader perspectives, the 360-degree appraisal facilitates greater employee self-development. It enables an employee to compare his or her own perceptions with the perception of others on the employee's skills, styles, and performance, proving that there's a lot of power in peer feedback.

UNIVERSITY OF NAIROBI
LOWER KASETE LIBRARY

Conies (1996) said that 360-degree performance appraisal should always have as its ultimate end the improvement of all employees and the organization. This is only achieved through the combined effort of all those involved in the life of the employees giving feedback as to how their particular relationships can be improved for better performance. 360-degree performance appraisal comprises two phases: 360-degree profiling and 360-degree feedback, which involves coaching the assessee through the interpretation of his or her profiling results into a course of action that will result in behavioral change, producing sustainable gains in productivity. 360-degree profiling is the first component of the process and involves assessing a person against a set of behaviors, competencies, or core values to discover strengths and development needs.

2.2 Features of 360-Degree Performance Appraisal

360-degree performance appraisal has several key features; it is usually based on a questionnaire, paper-based, or web-based, facilitated by email. Individuals can choose their own appraisers, feedback is usually anonymous, perhaps through a facilitator who can have a key role in helping the individual interpret results and feedback, and appraisal is normally followed up with actions for the individual's development. Antonioni (1996) stated that the 360-degree profiling process uses a 360-degree appraisal questionnaire which includes categories such as communication, teamwork, quality and accuracy of work, etc with five or six specific behaviors within each one. Instruments are developed that specifically reflect the performance criteria in good office practice. Most questionnaires tend to ask how well a particular behavior is performed and how important it is. In this way it is possible to prioritize the areas that need developing. The behaviors rated low on performance but high on importance are clearly of higher priority than areas considered less important by the person doing the rating. If the instrument includes self rating, then people being appraised can see how closely their

views match with the perceptions of others. This is especially valuable for team development as different professionals have different views on what is important

King (2002) said that any resistance to 360-degree appraisal is because it would be outside most people's comfort zone. It is essential that these individuals understand what the process is aiming to achieve and that they feel confident that there is no hidden agenda. Participants should be encouraged to air their worries and objections. Appraiser's feedback should be constructive, positive and specific – opposed to destructive, negative and general. Personal feelings and subjective comments should be put aside in favor of professionalism and helpfulness. Whether the feedback is anonymous or attributed will hinge largely on the levels of honesty, openness and trust within the organization. A facilitator may be appointed to receive completed forms, collect the results and present them to the individual. If the facilitator is a manager within the organization, then he should have a reputation for impartiality, honesty and discretion. External consultants are often used in this role for reasons of impartiality as well as anonymity. The success of 360-degree profiling processes depends on the correct treatment of many issues the most important of which are transparency of process, protection of privacy, clear statement of objectives, good internal marketing and trust in the motives for the process.

2.3 Process of 360-Degree Performance Appraisal

Johnson (2000) argued that it is possible that the organization, management and employee may all have different goals for the appraisal process. One of the most important things to remember about 360-degree performance appraisal is that its effectiveness will be highly influenced by its purpose. For example, a program which is developed to focus on employee development and training needs may not be suitable for making major decisions about salaries. Likewise, 360-degree performance appraisal involves identifying, evaluating and developing employees' work performance with the dual purpose

of achieving the organization's goals and objectives whilst also ensuring the employee receives recognition, feedback and development. It may help to think of 360-degree performance appraisals management as a cyclical series of steps: Setting assessment measures and standards, communicating expectations to employees and gaining commitment, planning for effective performance, monitoring, assisting and controlling performance through ongoing feedback, appraisal of performance (data collection, analysis, evaluation, diagnosis, action planning), decision making based on results, and performance development methods (implementation of action plan).

Antonioni (1996) advocated for 360-degree performance appraisal with an interview between the manager and the employee as the main way of performing the appraisal. The interview provides the opportunity to discuss an employee's performance and explore areas of possible improvements and growth. It also provides an opportunity to identify attitudes and feelings more thoroughly and thus improve communication. The interview is perhaps the most important part of the entire appraisal program yet information technology can become overburdened by attempting to discuss too much. The interviewer should initially emphasize strengths on which employee can build rather than weaknesses to overcome, avoid suggestions about personal traits to change and instead suggest more acceptable ways of performing, concentrate on opportunities for growth that exist within the framework of the employee's present position, and limit plans for growth to a few important items that can be accomplished within a reasonable period of time. It is recommended that a diagnosis of poor employee performance focus on these interactive elements, skill-knowledge abilities, technical competencies, motivation to get a job done and external conditions like personal life, poor economic conditions, supply problems etc.

Hind (1997) explained that every career employee should receive a written performance appraisal at least annually using the appropriate official form. It is important that performance managers review

and understand the personnel policies and collective bargaining agreements that govern their employees. A policy is necessary for this process to succeed. In general 360-degree appraisal is required in writing at least once a year. They may be delivered more often when necessary to address performance issues. Employees should be given sufficient time to write comments concerning their performance appraisal, should they wish, these comments are written on the form or attached to it and placed along with the form in the official employee file in the employee's department. It is important to ensure that the employee receives a copy of the signed appraisal form.

Silverman et al (2005) argued that assessment areas differ from organization to organization and from job to job, according to the requirements of the job, the department and the organization. However, some typical and important assessment areas include quality and accuracy of work, quantity of output, job knowledge and job related skills, ability to work as a team member, and future potential to work in other areas. The extent of application is determined by several factors, which include the number of appraisers per employee, the frequency of use, and the use of appraisal results. Research demonstrates that trying to address both performance appraisals and development through 360-degree appraisal can be problematic. The ideal design and implementation arrangements for a 360-degree scheme differ depending on which aspect is most important, development or appraisal. Important issues are raised by research of whether there is an optimal time frame in which 360-degree is most effective.

Murray (2005) gave uses of 360-degree appraisal results as, training needs analysis, identification of local based issues, identification of demographic issues (gender, age groups etc), deficiencies in management practice, and succession planning and risk assessment. It suggests that 360-degree assesses a person against a set of behaviors, competencies, or core values to discover strengths and development needs. The 360-degree performance appraisal process involves steps that ensure, clear communication of the reason for entering the profiling process, of the items to be measured, of target

purpose/audience (raters), development of the questionnaire, validation of the questionnaire, compilation of normative data if required, marketing the process internally, development of a privacy policy, scripting of invitations to complete the questionnaire and introductory instructions, identification of raters and their relationships to the ratee, launch of project, collection of response data, production of reports, and moving to the next phase which is 360-degree feedback. The first issue employers must solve in implementing 360-degree appraisals is how many raters should be involved, and, more importantly, who should do the rating. As a rule of thumb, companies generally select between 5 and 10 raters. This is because less than five raters unnecessarily limit the perspective on an employee, exceeding 10 raters typically makes the appraisal system too complex and time consuming. The ideal or optimal range for number of raters is thus between 5 and 10. Developing a list of key internal and external customers that the organization interacts with is encouraged. A random system ensures that a fair distribution of raters is created.

Peiperl (2001) said the most effective 360-degree appraisal elicits feedback from external clients. However, companies shouldn't survey external customers excessively. The client may feel uncomfortable with the idea, particularly if it's a new situation. It is important to remember that reviewing performance is not the customer's core business. Providing feedback for employees should not take away from the customer's profitability and comfort. The organization needs to make sure the process is a mutually beneficial process and be strategic in deciding how much information to solicit from clients. When possible, companies may use existing customer satisfaction data or other quantifiable measures of performance in place of a formal appraisal by the client. Once a company decides who will do the rating, it must create the criteria by which the employee will be judged. The criteria or questions used in 360-degree appraisals should be based on areas with which the rater is familiar. The organizations should fashion the appraisal to fit their unique needs. For instance, in self-

directed teams, each ratee distributes his or her personal development and work goals to the entire team at the beginning of the appraisal year. Thus, all members of the team have the ability to evaluate each ratee's goals at the end of the year.

Antonioni (1996) argued that the 360-degree appraisal form can include items such as: Does the employee follow up on problems, decisions, and requests in a timely fashion? Clearly communicate his or her needs/expectations? Listen to others? The raters score these items on a scale from 1 (needs improvement) to 5 (outstanding). Space is also provided for the raters to make written comments. The ratee's final performance appraisal consists of a combination of the comments and ratings from the various raters and the supervisor's own feedback on the ratee's performance. Since each employee is rated by five to ten other individuals, the appraisal can entail a major time commitment. For this reason, a practical guideline is to keep the appraisal simple by using a one- to two-page form with 5 to 15 questions taking 10 to 30 minutes to complete.

Chapman (1994) recommended against restricting the 360-degree feedback to peers and managers only as this would be a waste of the potential of the 360-degree appraisal method. The feedback process benefits customers, staff, suppliers, inspectors, contractors, and others as a good working relationship and understanding of the appraisee affect overall job performance, quality, service, etc. Effective 360-degree appraisals aren't quick judgments, they require consideration. Once the data is collected from the various raters, it must be analyzed and summarized for the ratee's final performance appraisal. The employee's supervisor should be responsible for summarizing the data and determining the final performance rating, which generally includes a mean score and distribution range for each item. Their experience reveals that feedback can't always be taken at face value. For instance, care must be exercised when only one rater has given highly negative or positive feedback. The managers should stress that the key is to look for trends or patterns in the data. If there are questions or

ambiguity in the raters' feedback, the supervisor will often solicit additional feedback from the same or new raters. After summarizing the data, the supervisor conducts the formal appraisal interview with the ratee.

Kirksey (2002) said another issue all organizations must face is whether the feedback from the various raters should be kept anonymous or be identified openly to the employee being reviewed. Confidentiality can reduce the possibility that the employee will later confront the raters, and thus encourages raters to be more open and honest with their feedback. He says that it is difficult to ensure completely honest, open feedback when raters are identified. Organizational maturity is needed to give and receive constructive feedback. Some people have hidden agendas. Employees may give lukewarm and fuzzy feedback because of the fear that the feedback may come back to them. The motto thus becoming, 'Do unto others as they would do unto you' However, confidentiality has its own disadvantages, ratees often try to "hunt the ghost down" or figure out which rater provided the negative feedback. It's also sometimes difficult for the supervisor to give clear and specific feedback without giving away the identity of the original source of the feedback.

Kirksey (2002) continued to say that in an attempt to deal with these issues, employers can provide raters with the option of being open or anonymous in their feedback. If the rater requests anonymity, then the supervisor must not compromise his or her identity. However, if the rater is willing to be open, then the supervisor may refer the ratee with questions about his or her feedback to the rater. In keeping with the self-directed team concept, all ratees should have knowledge of the various raters' comments and ratings. To help make this system work, employers can institute a rule that no rater can give negative feedback in the appraisal unless the rater has previously given the feedback directly to the ratee. If a ratee challenges the appraisal feedback, then he or she must face the entire team about the issue. Managers should stress that it takes time to develop open and effective 360-degree

appraisals and suggest that most organizations should start with confidentiality until sufficient understanding, maturity and trust is achieved

Antonioni (1996) argued that based on different experiences of designing and implementing a variety of tools, the following were essential for the introduction and use of 360-degree appraisal, the tool must be well validated and easy to administer, analyze, and interpret, feedback must be anonymous, the team or department must be fully briefed about how the data will be used, it should be used only for developmental purposes, not performance management, it should be introduced slowly on a voluntary basis, starting with the departments keen to pilot it, it should not be used to resolve conflict or in a department with a history of difficult relationships, the tool should be constantly refined. Any decision affecting an employees' career should not be based on 360-degree feedback alone. It is part of a broader array of evidence about his performance, from which appraiser and appraisee can identify overall patterns, themes, and messages. Information should be treated in context, only those who work directly with the appraisee should be asked to provide feedback, but it makes little difference to the feedback if the appraisee or the appraiser chooses them. Those who provide feedback should represent a range of people (for example, trainees, peers, administrative staff, other professionals, directors, etc). Training must be given to appraisers and appraisees about how to make the most of the feedback, who will analyze the results, etc

Murray (2005) said one of the benchmarks for the effectiveness of 360-degree appraisal would be the emergence of development plans, which were successful for both the individual and the organization. Schemes which can capture this information over time are more likely to emerge as web-based initiatives - such as that of the Chartered Management Institute - where flexibility and automated collation help to counter the burden of administration. More and more organizations are making efforts towards open, participative communications with their employees. 360-degree appraisal fits in well

with this trend. It has even proven better in opening up the work place and making improvement all rounded.

2.4 Benefits of 360-Degree Performance Appraisal

King (2002) gave numerous benefits associated with a well carried out 360-degree appraisal as: the combination of opinions can approximate to an accurate view of the employee, comments expressed by several colleagues tend to carry weight, some skills are best judged by peers and staff, not by managers alone, feedback can be motivating for people who undervalue themselves, the wider involvement help to engender a more honest organizational culture, peer ratings provide a practical method to assess performance in humanistic qualities and communication that are difficult to evaluate reliably with other measures, it is potentially more objective and less open to bias than feedback from just one person, or an individual's subjective view about himself, it is harder to discount the views of several colleagues or clients than the views of just one or two, it provides some standardization (rather than every employee using a different method), colleagues, staff, and clients feel they have some say in how they are being handled, it helps to identify strengths as well as areas in need of further development, it can help people to target specific behaviors that need to be addressed (such as "not always making time to discuss problems") instead of more general and less helpful feedback (such as "communication skills need improving"). It can aid team development and improve job satisfaction by decreasing bias opinions and fear.

Waldman (1998) said 360-degree performance appraisal greatly impacts on job satisfaction. Millions of employees often do not realize exactly what influences their satisfaction with the job and are convinced that satisfaction has nothing to do with what other people think. However according to an increasing body of evidence, how much prestige the outside world, the organization and colleagues assign to a job, prospects of further promotion, job security, job knowledge, awareness of

psychological contracts, communication styles, pleasant work relations, and appraisal techniques all play a sizable role in job satisfaction. This could portend consequences not only for the well-being of workers and the success of companies, but also for the health of the economy. Teachers have made a prestige leap in the eyes of the public. In 1977, 29% of the American population assigned great prestige to the teaching job. By 2004, it was 48%, and a year later the percentage of teachers who said they were very satisfied with teaching as a career rose from 40% to 57%. This was all because schools had taken measures to keep employees satisfied and productive by employing better appraisal methods like 360-degree performance appraisal.

Edwards (2002) argued that real satisfaction comes from accomplishments, especially accomplishments which require hard work and recognition by the organization. This recognition is mainly made through a number of people who are in contact with the employee attesting to this fact, thus giving organizations good reason to use 360-degree performance appraisals. Feedback from 360-degree performance appraisal results in significantly higher work satisfaction and organizational commitment. An equally important contribution is that the use of 360-degree appraisal is in fact related to important job and organizational attitudes and turnover intentions. Job satisfaction is a general attitude towards work related aspects like whether the work is challenging, how it demands physically, employees personal interest, the reward structure, working conditions as involves the physical and goal attainment, self esteem, communication between colleagues and supervisors and additional benefits. Causes of job dissatisfaction are mainly poor physical environment, weak social environment, poor behavioral aspects and poor communication. All these factors are brought out in a well carried out 360-degree performance appraisal.

2.5 Challenges in implementing the 360-Degree Performance Appraisal

King (2002) outlined the challenges that come with 360-degree appraisal as follows: the process can be administratively burdensome, results can be difficult to interpret, feedback can be damaging unless handled carefully and sensitively, it can generate an environment of suspicion and cynicism if not managed openly and honestly, instruments may not be validated so items may not measure what they are supposed to, free text (included in some questionnaires) can produce destructive comments that can negate any motivating effect, colleagues may not give honest feedback if they fear that their responses can be identified or if they are unclear about how they will be used, it can be used to support a hidden agenda (for example, to discipline an employee or make a decision about promotion), it is time consuming to collect ratings from 5-11 people, it may be difficult to get a representative sample of appraisers, if the tool is not robust then any development plan based on the feedback could be misguided, appropriate support systems to help administer questionnaires and interpret the feedback may not be in place, the links between appraisal and improved performance are not well established and require more research.

Waldman (1998) said employers must build a bridge over 360-degree appraisals' potential pitfalls. Although 360-degree performance appraisals can be extremely effective, fair and useful at their best, like any form of performance review, they have their own potential weaknesses and disadvantages. For one thing, receiving a performance feedback from a multitude of sources, including one's peers, can be intimidating. It is agreed on that 360 degree performance appraisals don't eliminate the sting of criticism: Feedback is still hard to take. It's not always fun. While employees may have trouble receiving feedback, providing feedback is often troublesome for some. It's hard for people to give constructive feedback when they have to. People have to have the right mindset and skills to do it well. It takes time to internalize. For these reasons, it's important that the company create a non-threatening

atmosphere by emphasizing that the major purpose of 360-degree appraisals is to facilitate the employee's development and performance improvement.

Ramsey et al (1993) also said companies that use 360-degree appraisals may find that their biggest disadvantage is the time involved to select raters, fill out forms, and analyze information. It's imperative that organizations strike a balance; appraisals must be intricate enough to be meaningful, but simple enough to be completed easily. The time commitment involved is also one reason why many companies conduct formal appraisals only once a year, although semi-annual appraisals may be given to low-performing employees. There's also the problem of different expectations by the raters. Raters tend to have different expectations. Some rate very low while others are lenient and rate very high. For example, a rater may write in the appraisal that the employee is a very good planner, but then give that employee only a 3 on a 5-point scale on planning. Several concerns about feedback can be whether the employee know enough about each other in order to rate, whether the people doing the ratings always understand the situation the employee is in, whether the inputs of all raters are often treated equally regardless of that raters' position or level of knowledge about the person.

Edwards (2002) argued that perhaps the single most important key would be to provide training to employees on the specific details of the new appraisal process and the instrument, and to give constructive feedback in a productive, non-critical manner. For example, employees could receive training on how to evaluate specific critical incidents and to give feedback before they take part in 360-degree performance appraisals. Learning to receive feedback is just as important as giving feedback. Enough training is not done on receiving constructive feedback and how to deal with it. If it is not taken well, people stop giving it. It's a talent that needs to be developed.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Research Design

The study was a survey that sought to establish the extent to which private secondary schools in Nairobi had adopted the 360-degree appraisal as a way of measuring employee performance. The survey method allowed for data to be collected from a variety of sources thus ensuring a correct pattern was identified

3.2 Population

The population of the study consisted of all the teachers in the private secondary schools in Nairobi Province as registered by the Ministry of Education as at January 2007 (Kenya Education Directory, 2007).

3.3 Sample

The sample size consisted of teachers in 30% of all the private secondary schools in Nairobi and 30% of teachers in each private secondary school of study. Proportionate stratified random sampling was used and simple random sample was taken within each stratum. Appropriate numbers of questionnaires were sent to each school of study to be completed by the teachers and their supervisors (head teachers, and heads of department). 30% of the total number of private schools resulted in 30 schools out of which a total of 146 questionnaires were sent and expected back. A total of 133 questionnaires from 28 schools were returned duly filled and completed

3.4 Data Collection

The data was collected using a semi-structured questionnaire, made up of both closed and open-ended questions. Respondents were teachers and their supervisors (head teachers or administrators and heads of departments). It was administered through the mail survey using the drop and pick later method.

The study involved collecting primary data to uncover the following areas, the type of appraisal used, designation and number of appraisers, the frequency of appraisal, the use of feedback, the institutional culture and its influence on appraisal comfort and job satisfaction

3.5 Data Analysis

The raw data collected was edited for completeness and consistency. It was coded and checked for coding errors and omissions. The coded data was categorized and tabulation was obtained for the questions that were intended to measure descriptive characteristics of the study sample. Descriptive statistics including minimum, maximum and arithmetic mean were used to summarize quantities like age, duration of employment and number of appraisers. To determine the extent to which 360-degree appraisal technique is used, mean scores were used. The output was presented in frequency distribution with percentages, tables and charts used to exhibit relationships of the variables. A factor analysis was done to itemize the various study variables in the questionnaire so as to establish record of their variances and check linear relationships. Factors like quality of work, quantity of work, and team work were used to check the extent of adoption of 360-degree performance appraisal; while measures of variables like communication channels and job awareness derived from composite scales were added up to show the effect the appraisal process had on job satisfaction.

CHAPTER FOUR: DATA ANALYSIS AND FINDINGS

4.1 Introduction

This chapter deals with the analysis and findings of the study. It presents findings on the extent of adoption of 360-degree employee performance appraisal in the private secondary schools in Nairobi using a statistical package for social sciences (SPSS), and the findings presented in Microsoft Word.

4.2 Demographic Characteristics of the Respondents

Table 1: Distribution of respondents per school

School	Respondents
St. Martins, Kibagare	6
Strathmore School	6
Aga Khan Academy	2
Nairobi Academy	2
Light Academy	3
Oshwal High	6
Riara Springs	6
Rosslyn Academy	0
St Catherine's Mountain View Academy	3
Loreto Convent, Msungari	6
Consolata Secondary	6
St Austin's Academy	6
St Christopher's Secondary School	6
St. Hanna's Preparatory and Secondary School	6

St. Elizabeth Academy	4
Forest View Academy	0
Impreza Academy	5
Don Bosco Secondary School	6
Hillcrest Secondary School	6
Augustana Academy	4
Sunshine Secondary School	5
Karengata Secondary	1
Loreto Convent, Valley Road	6
St. Mary's School	6
Makini Academy	6
Jeremie Adventist Academy	1
Braburn High School	5
Kianda School	6
Brookhouse School	5
Apostolic Carmel Girls	6
Totals	136

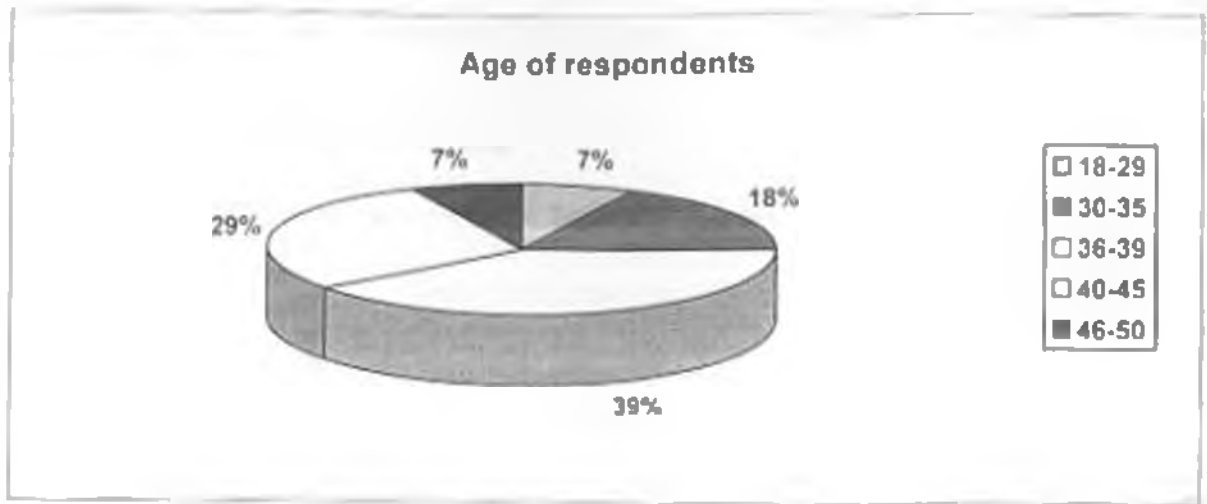
The total target respondents were 146 from 30 schools; however the response was 136 from 28 schools, which constitutes 93.2%. 3 of these were rejected due to incomplete information, thus data analysis is based on 133 responses which is 91.1% of the target. Of these, 39 respondents were in supervisory roles which represent 29% of all the responses, while 94 respondents were in non supervisory positions (71%).

The characteristics of the respondents studied related to the age of the respondents, duration one had worked at the school, highest level of education and position held at the school. The organizations that participated in the study are as per the appendix attached. The data in this section analyses some of the characteristics of the personnel in the schools. The analysis uses graphs and percentages to show characteristics of the personnel studied.

4.2.1 Age of respondents

The result as shown in Graph 1 reveals that only 7% of the respondents at the various institutions of learning in secondary schools in Nairobi are below the age of 30 years. This means that 93% of the teachers at the various secondary schools in Nairobi are over 30 years of age. It is also evident that 57.2% of the employees in the secondary schools are within the age range of 30 – 45 years which study shows is the optimal age range for the benefits of 360-degree performance appraisal to be realized. None of the respondents used in the study was above 50 years of age. The age of the respondents corresponds to the level of maturity and experience attained by the teachers and will reflect their ability to understand, use and appreciate 360-degree performance appraisal in the schools. The teachers in private secondary schools in Nairobi are thus able to put 360-degree performance appraisal into good use as they are in that optimal age 30 – 45 years where they are not afraid of change and are able to understand the intricate working of the appraisal process.

Figure 1: Age of respondents



4.2.2 Level of education

360-degree performance appraisal process needs to be coached and performed by highly professional staff for the discovery of results and the integration and transformation of results into an appropriate development plan. The process involves monitoring, assisting and controlling performance through ongoing feedback, appraisal of performance (data collection, analysis, evaluation, diagnosis, action planning), and decision making based on results. This requires a certain level of education by both rates and rater for the appraisal process to be successful.

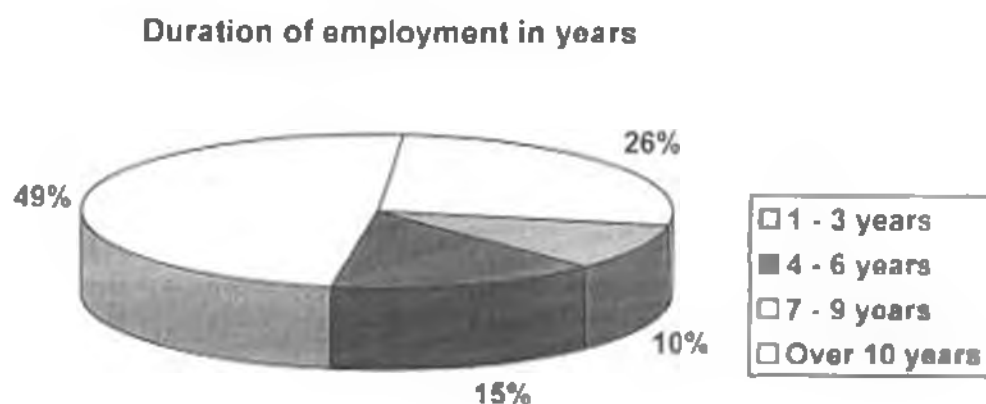
100% of the employees in the study had attained secondary level of education i.e. having finished form four or six and 97% of the employees had beyond tertiary or university education. The highest level of education attained varied from diploma 20%, degree 56% and masters 21%. The level of education attained would reflect the ability to be willing to make the appraisal process work and the ability to understand instructions and use appraisal feedback. 97% of the teachers in the private secondary schools in Nairobi have at the very least a diploma certificate which is recommended for employees who are involved in 360-degree performance appraisal and allows them to be either raters

or rates. The group of teachers in private secondary schools in Nairobi is able to put feedback into good use and make the appraisal process useful to themselves and the schools.

4.2.3 Duration of employment at the schools

90% of teachers at the private secondary schools have been in the service of the respective schools for a period of over 3 years. Results from figure 2 indicated that 15% of the respondents had worked at the schools for a period of between 4 - 6 years, 49% for a period of 7 - 9 years, while 26% of these have been at their current places of work for over 10 years. Only 10% have been in the schools fewer than 3 years. Majority of these respondents have thus been working in the schools long enough to provide much needed experience and insight into the prevalence and impact of 360-degree appraisal in their schools, and its effects on job satisfaction. The optimal level of experience in years for 360-degree performance appraisal to work well is given as seven. 65% of the teachers in private secondary schools in Nairobi have sufficient levels of experience to be able to ensure they use 360-degree performance appraisal properly and to put feedback to good use for their personal development and that of the school.

Figure 2: Duration of employment



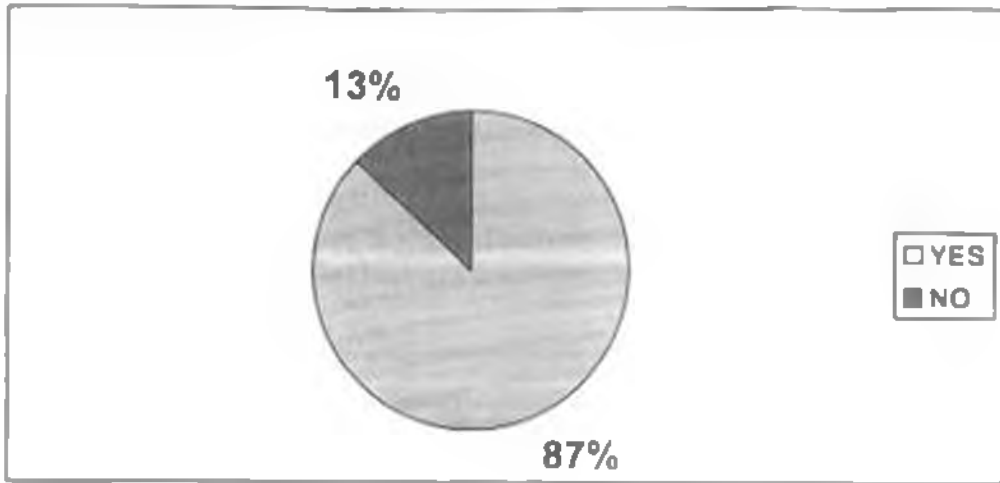
4.2.4 Position held in the School

The respondents were asked to indicate the position they held at the school. Titles were indicated as head teachers, deputy head teachers, heads of departments, and teachers. Those titled also indicated whether they were supervisors or not. Head teachers, deputy head teachers and heads of departments all supervise other teachers. Findings indicated the positions held by the various respondents used in the study as head teachers 7%, deputy head teachers 13%, heads of departments 9% and teachers without supervisory roles 71%. This broad range of respondents can provide important information about the extent of adoption of 360-degree appraisal used in the school, and how it affects job satisfaction. For the appraisal system to be referred to as 360-degree performance appraisal it is necessary that the teachers are not only appraised by supervisors but others as well who are in close contact with their work. 71% of the respondents who are not in supervisory roles participated in this study and will be able to bring out the extent to which 360-degree performance appraisal is practiced in their schools and to offer titles of those who appraise them.

4.3 The Extent of Adoption of 360-degree Performance Appraisal

The respondents were asked to state whether in their organization they have a policy on 360-degree performance appraisal for employees. From the responses as indicated in Graph 3, 87% indicated that they have a policy on 360-degree performance appraisal of staff in their school.

Figure 3: Extent of adoption of 360-degree performance appraisals in the schools



It is evident that majority of private secondary schools in Nairobi have a policy on 360-degree performance appraisal in their schools and can offer valuable information on its extent of use and its effect on job satisfaction. This 87% (116 respondents) will represent the total sample size for the remainder of the analysis of 360-degree performance appraisal at the schools.

4.3.1 360-degree performance appraisal and quality and accuracy of work

62% of the respondents state that in their opinion 360-degree performance appraisal affects the quality and accuracy of work done very highly and 34% believes it affects the quality and accuracy of work done highly. Less than 4% believe 360-degree performance appraisal does not affect the quality and accuracy of work. This indicates that in 96% of schools 360-degree performance appraisal is used to evaluate the quality and accuracy of work expected from the teachers. From the 360-degree performance appraisal process the schools ensure that the quality and accuracy of work done by the teachers is what is expected and if it is not, corrective measures are taken through feedback for future improvement. Since this is an all round assessment which also allows for input from the individual teachers being appraised, the teachers are willing to work at ensuring the quality and accuracy of work is up to a standard they have previously agreed on. The quality and accuracy of work in private secondary schools in Nairobi is thus very high and constantly improving.

4.3.2 360-degree performance appraisal and quantity of work

The respondents were asked to indicate to what extent they were in agreement that 360-degree performance appraisal affected the quantity of work done by the teachers. 95% of the respondents say 360-degree performance appraisal affects the quantity of work done very highly while 3% believes it affects the quantity of work highly. 1% believes it affects quantity of work only moderately while less than 1% believes there is little or no relation between 360-degree performance appraisal and quantity of work done by teachers. The results show that 360-degree performance appraisal is used to determine the quantity of work given to the teachers in the private secondary schools in Nairobi. 360-degree performance appraisal allows input from a variety of people; this ensures that the teachers will be given that quantity of work that can be done by each individual for optimal performance to be realized. Quantity of work will be increased or decreased as dictated by appraisal feedback to ensure the teacher is given that which he can manage well. This also dictates the number of teachers the schools will employ to ensure there is neither under-loading nor overloading of teachers in the school in terms of quantity of work.

4.3.3 360-degree performance appraisal and job knowledge

94.5% of the respondents state that 360-degree performance appraisal has a very high application on job knowledge while 4% believe it has a high application on the same. Less than 2% see a correlation between 360-degree performance appraisal and job knowledge. This result indicates 360-degree performance appraisal is used to check whether teachers are aware of their job description and whether they have the skills required to do their jobs. 360-degree performance appraisal impacts not only how well the teachers know their jobs and thus how well they perform them, but also on job satisfaction. Job knowledge ensures the teachers in private secondary schools in Nairobi know their jobs well and have the requirements needed to perform them. Job knowledge will lead to good performance from the

teachers and eventually good performance by the schools. This results in these schools performing very well in examinations, a tool used to rate performance. When employees know their jobs and are given the skills they need to do the job well, job satisfaction is increased. 360-degree performance appraisal thus impacts positively on job satisfaction by allowing for job knowledge and provision for job related skills to be acquired. Through the appraisal process the teachers in these private secondary schools have a way of improving job knowledge and job related skills and thus performance of the schools also improves.

4.3.4 360-degree performance appraisal and ability to work as a team member

53% of the respondents state that in their opinion 360-degree performance appraisal is applied very highly on their ability to work as team members while 40% believe it is applied highly on their ability to work as a team member. Less than 7% believe there is moderate, little or no relation between 360-degree performance appraisal and the ability to work as a team member. Majority of the respondents (93%) believe 360-degree performance appraisal is used to determine their ability to work as team members, and through feedback ensure that teachers are working together towards known objectives. It is thus effective in producing a good working atmosphere, where results depend on people working as a team and communicating effectively. This result shows that the teachers in these private secondary schools in Nairobi rely on each other to be able to offer good service to the students.

Ability to work as a team also greatly impacts on job satisfaction. When individuals feel that there is cohesion in the work place and their contribution is considered important for the well being and development of the organization, job satisfaction is impacted positively. In the case of private secondary schools in Nairobi, 360-degree performance appraisal affects job satisfaction positively as it opens up channels of communication and teachers depend on each other to perform their jobs well. It aids team development and improves job satisfaction by decreasing bias opinions and fear.

4.3.5 360-degree performance appraisal and training and development needs of teachers

360-degree performance appraisal involves identifying, evaluating and developing employees' work performance with the dual purpose of achieving the organization's goals and objectives whilst also ensuring the employee receives recognition, feedback and development. 44.1% of the respondents state that 360-degree performance appraisal in their institutions very highly impact on the training and development needs of the teachers, 20% believes it impacts highly, while 30.3% of the respondents state that the application is moderate. Less than 5% do not see a co-relation between 360-degree performance appraisal and training and development needs of teachers. This implies that 360-degree performance appraisal is widely used in determining the training and development needs of teachers as they arise from appraisal feedback. It helps to identify strengths as well as areas in need of further development; it can help people to target specific behaviors that need to be addressed. 360-degree performance appraisal allows the individual, supervisors, peers and clients to all have a say on what they feel is lacking on the part of the teacher. This feedback is used by the human resource department to plan for training and development for the teacher in order to ensure any weaknesses are strengthened and strengths are further emphasized. All this eventually leads to better trained teachers in the private schools who perform their jobs very well and excellent results can be realized.

The training and development of teachers affects job satisfaction positively as they feel their needs are being met by the school and they are constantly being equipped to be better workers. The teachers are not embarrassed to have their weaknesses seen as this will lead to the school finding them the best training to overcome these weaknesses. They are thus content with 360-degree performance appraisal and are not overly anxious when being appraised.

4.3.6 Designation of 360-degree performance appraisal appraisers

Recommendation is made against restricting 360-degree performance appraisal to peers and managers only as this would be a waste of the potential of the 360-degree appraisal method. All 133 respondents are appraised by peers, 80 of them are also appraised by supervisors, 40 by subordinates, 5 by parents, 15 by government representatives and 3 by students. None of the respondents is solely appraised by supervisors which is the traditional upward appraisal. There is an all round appraisal approach in majority of the schools involved in the study. Thus 87% of private secondary schools in Nairobi have adopted 360-degree performance appraisal and the teachers are appraised by their peers, supervisors, subordinates, parents, government representatives and students. There is an all round appraisal of the teachers in these schools allowing for feedback to be true and relevant. This leads to the teachers working well and all the benefits of the appraisal system accruing to the school. The combination of opinions gives an accurate view of the employee. Comments expressed by several colleagues tend to carry weight and feedback is motivating for people who undervalue themselves. It is harder to discount the views of several colleagues or clients than the views of just one or two and colleagues and clients feel they have some say in how they are being handled.

4.3.7 Frequency of use of 360-degree performance appraisal

Majority of the respondents state that in their schools 360-degree performance appraisal is used annually (82%). Rarely is it used twice (8%) or four times (4%) within a year and sometimes the frequency is as low as every three (4%) or five years (2%). In most of the schools 360-degree performance appraisal is used only once a year due to restraints of time and personnel. The process is administratively burdensome and results are difficult to interpret. All this leads to most private secondary schools in Nairobi conducting 360-degree performance appraisal only once a year.

4.3.8 Number of appraisers

The group of individuals that act as appraisers is made up of both internal and external customers. Internal customers may include supervisors, subordinates, peers, and representatives from other departments who interact with the ratee. External customers may include clients and government officials. Anyone who has useful information on how the teacher does the job may be a source in the appraisal process. 360-degree performance appraisal is time consuming as ratings are collected from 5-10 people with eight being the optimal range for best results. 49.9% of the respondents are appraised by an average of 4 people while 50.1% of respondents are appraised by an average of 8 people. The results show that 50% of the schools are at the optimum range of appraisers for effective 360-degree appraisal.

4.4 360-degree performance appraisal and job satisfaction

Feedback from a number of employees helps to clarify job rules and expectations which may be a source of frequent disagreement and may result in job dissatisfaction. Employees agreed that 360-degree performance appraisals are fairer because peers know behaviors best and insist on giving more valid ratings. It is by ensuring that the staff is empowered and motivated that the vision of giving an all round education is realized, and consequently excellent academic results follow. 79.8% of the teachers state that they are satisfied with their jobs at the present time and they are not at all apprehensive when receiving feedback of the appraisals done. 51.45% of teachers strongly agree and 20% agree to the statements that 360-degree performance appraisal enables them to be aware of their performance in the organization, feedback is given in a timely manner and they are not afraid of losing their jobs due to results from the appraisal. Traditional performance appraisals cause employees to be dissatisfied with their jobs as they do not know exactly what is expected of them, they feel management is biased towards them and they are not given a chance to say what they feel they need to improve their work.

The study shows that 360-degree performance appraisal really does reduce the negativism that causes fear in the employee and leads to job dissatisfaction. 88.72% stated that they have job satisfaction due to the benefits realized through 360-degree performance appraisal. 48.8% respondents stated that they agree and 43.2% strongly agree to the fact that 360-degree performance appraisal was important and necessary in an organization. Only 5% disagree with the statement that 360-degree performance appraisal is important and necessary to the organization. This may indicate the level of confidence the teachers who are constantly appraised using 360-degree performance appraisal have, and that they tend to know what their job requirements are and feel they are able to do their jobs as required.

CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This research set out to study the extent of adoption of 360-degree performance appraisal in private secondary schools in Nairobi and its effect on job satisfaction. The study was basically a census survey. Research questions were posed as a way of determining impact of variables. A detailed literature review on the topic of research was done through relevant academic journals highlighting various aspects of 360-degree performance appraisal. A total of 136 teachers from 28 schools responded to the questionnaires though 3 were rejected. 39 respondents were in supervisory positions. Data was primarily analyzed by use of descriptive statistical measures like tables and charts.

5.2 Summary

The research was intended to achieve the main objective of establishing the extent to which private secondary schools in Nairobi have adopted 360-degree performance appraisal, and to determine its effect on job satisfaction. 67% of the schools have adopted 360-degree performance appraisal. Majority of the respondents stated that 360-degree performance appraisal was considered important and the process is quite detailed covering most tenets of their jobs. Based on the findings of the study, the respondents in the schools said 360-degree performance appraisal had contributed to the improvement of employee relations, motivation and job knowledge.

The study further established that a number of private secondary schools usually conduct the appraisal annually. Results are used for the purpose of improvement of performance of the teachers. Based on the study, majority of respondents stated that 360-degree performance appraisal affected their job satisfaction positively. The respondents stated that they knew the importance their individual work was to the overall success of the organization and 360-degree performance appraisal made the

supervisors aware of any difficulties they might have in their jobs. It was further revealed in the study that 360-degree performance appraisal allowed for open communication channels between the teachers and the supervisors such as heads of departments or head teachers.

5.3 Conclusion

Majority of private secondary schools in Nairobi have adopted 360-degree performance appraisal. The extent of adoption is high and its effect on job satisfaction is positive. According to the study 360-degree performance appraisal is applied to enhance individual teachers work performance thus bringing about improvement in quality and accuracy of work, quantity of output, job knowledge and job related skills and the ability to work as team members. These factors play a great influence in the performance of jobs by the teacher and the institution as a whole especially since appraisers are varied people who are in close contact with the employees. This awareness by management of what employees need to perform their jobs well was expected to make it possible for them to put in place measures to enable teachers perform their jobs better.

It was also revealed that with open communication and the possibility to share views and problems, the working relationship between supervisors and employees is greatly improved. According to the respondents, 360-degree performance appraisal impacted highly on the level of satisfaction and ensured the teachers view the appraisal process as a valid method of ensuring job satisfaction.

5.4 Recommendations

360-degree performance appraisal should be used by organizations because it creates a mutually beneficial relationship between the organization and the employee. Therefore, 360-degree performance appraisal should fit within the strategic mission of schools or business organizations and should not be used as a means of intimidating the work force or as a means of finding fault. The

responsibility lies with respective officials who have the decision-making power when it comes to the review of the performance of employee's, the type of feedback given and its eventual use. First, top management needs to buy into and clearly communicate the goals of the 360-degree performance appraisal and how it relates to the company's business strategy and competitiveness

Top management should then appoint a committee of representative managers and employees to develop the appraisal forms and process. An organization should develop an effective change process and orient the appraisal to its particular needs and culture. It would take time and much effort, but when implemented properly, a 360-degree performance appraisal system can enable companies to obtain better performance information and increase employee development and accountability. The principle of 360-degree performance appraisal should be used to provide an understanding of how the employee is perceived from different perspectives and to map out ways of helping the employee, the organization and eventually the industry to develop, without demoralizing the workforce.

5.5 Limitations of the study

The study excluded other private schools outside Nairobi whose practices and experiences may be different, this was due to constraints of time and finances. Two of the schools did not fill in the questionnaires due to lack of time. Certain questions were not responded to giving the possibility that some information might have been withheld thus introducing some bias in the study. This made it difficult for the researcher to make a valid conclusion.

5.6 Suggestions for further research

This study by its nature has not been able to exhaustively investigate all the variables that explain different aspects of the extent of application of 360-degree performance appraisal in private secondary schools in Nairobi. The following areas are therefore recommended for further investigation or study;

the challenges faced by organizations in adopting 360-degree performance appraisal, the effect of 360-degree performance appraisal on employee turnover and the benefits of 360-degree performance appraisal on the development of the employee.

REFERENCES

- Antonioni, D. (1996) "Designing an Effective 360-Degree Appraisal Feedback Process" **Organizational Dynamics Journal** Autumn pp 24-37.
- Armstrong, M. (2002). **A Handbook of Human Resource Management Practice** London: Kogan Page Ltd.
- Basal, R. (1994) "A critical Look at Performance Management Systems and Why They Don't Work" **When it Comes to Best Practices Journal** Summer pp 33-44.
- Basal, R. (2004) **Perfect Phrases for Setting Performance Goals** New York: Mc Graw Hill Publishers.
- Burk, S. (2003). **Gender Differences in Leadership Styles and Management Skills** New York: Emerald Group Publishing Ltd.
- Chapman, R. (1994). **Total Quality Management and its Effects on Productivity** London: Kogan Page Ltd.
- Chaudron, D. (1995). "360-Degree Feedback Leadership, Management Style and Performance Improvement" **When it comes to Best Practices Journal** Autumn pp 19-32.
- Coates, G. (1996). "Performance Appraisal and Women's performance in a Trust Hospital" **Health Manpower Management Journal** May pp 22-24
- Cole (1992). "Incorporating Customer Feedback into the Performance Appraisal Process" **When it Comes to Best Practices Journal** Autumn pp 8-17.
- Davis, S. H. (1999). **The Politics of Principal Evaluation** London: Kluwer Academic Publishers.
- Edwards, M. R. (2002). **360-Degree Feedback the Powerful New Model for Employee Assessment and Performance Improvement** New York: Blackwell Publishing Inc.

- Fletcher, C. (1999). **Appraisal: Routes to Improved Performance** London: Institute of Personnel and Development
- Hind, P. (1997). "Gender Variations in Perceptions of Performance Appraisal" **Quality and Participation Journal** pp 18-22
- Iraki, X. N. (2005). "High School Exams in Kenya" **Government 21 Article** February p 1
- Jeffrey, G. (2003). **Human Resource Management Theory and Practice** New York: Blackwell Publishing Inc.
- Johnson C, Leigh J, Lloyd S, Hasler J. (2000). "A Structured System to Support Clinical Governance and Revalidation" **Clinical Governance Bulletin** pp 1-2.
- Kamunge, J.R (1998). "Education and Manpower Training for the next decade and beyond" **Report on the Presidential Working Party** pp 2-6.
- King, J (2002). **Quality and Safety in Healthcare a 360-Degree Approach** New York. Top Team Transformation Publications.
- Kirksey, J. (2005). **Companies Evaluate Employees from all Perspectives** New York: Blackwell Publishing Inc.
- Murray, (2005). H. "Assessing Employee Competencies" **Journal of Personal Selling and Sales Management**, Vol. 25, No. 3 summer.
- Odera, J. (2002). "From student to principal" **Kianda School Magazine** pp 7-8
- Okoth, L.A. (2003). **A Survey of factors that determine the level of job satisfaction among teachers in top ranking private schools in Nairobi**. Unpublished MBA thesis, University of Nairobi, Faculty of Commerce.
- Peiperl, M.A. (2001). "Getting 360 Degrees Feedback Right" **Harvard Business Review** 79 (1).
- Ramsey P.G. (1993). "Use of peer ratings to evaluate physician performance" **JAMA Journal** pp 1655-1660.

Redman I. (1995). "Do Corporate Turkeys Vote for Christmas: Managers' Attitudes towards Upward Appraisal" **Personnel Review** pp 24

Roach, M. (2002). "Josemaria Escriva and Kianda School" **Kianda School Magazine** pp 3-4

Silverman, M. Carter, A. (2005). **360-Degree Feedback Beyond the Spin** New York: Blackwell Publishing Inc.

Waldman, D. A. (1998). **The Power of 360-Degree Feedback: How to Leverage Performance Evaluations for Top Productivity** Houston: Gulf Publishing.

APPENDIX I: Letter of Introduction

22nd August 2007

Jerusha Ouko

P.O.Box 21428 00505

Nairobi

Kianda School

P.O.Box 48328

Nairobi

Dear Sir/Madam

I am a postgraduate student at the University of Nairobi, Faculty of Commerce. As part of the fulfillment of Master of Business Administration Degree (MBA), I am conducting a study on "The Extent of adoption of 360-Degree Performance Appraisal process in private secondary schools in Nairobi and its effect on job satisfaction." I appreciate your participation in this study whose findings will be useful for both human resource managers and researchers

Kindly assist in the collection of data by filling the accompanying questionnaire. My supervisor and I promise that the information gathered will be used strictly for academic purposes. A copy of the final report will be made available to you on demand.

Your honest participation will be highly appreciated.

Thank you in advance for your co-operation.

Yours faithfully

.....
Ouko J C
MBA Student

.....
Omondi George
Dept of Bus. Admin
University of Nairobi

APPENDIX II: QUESTIONNAIRE

Section I: Extent of Adoption of 360-degree Performance Appraisal

(Please tick the appropriate response)

1. Name of School

2. Age a) 18-29 b) 30-35 c) 36-39 d) 40-45 e) 46-50 f) 50+

3. How long have you worked in the school?.....(years)

4. What position do you hold in the school?.....

5. What is your highest level of academic qualification?

a) O' Level b) A' Level c) Diploma d) Certificate

e) Degree f) Masters g) PhD h) Other (please specify).....

6. Does your organization have a policy on 360-degree performance appraisal?

Yes No

7. Do you consider 360-degree performance appraisal an important aspect in the development of the school?

Yes No

8. Do you consider 360-degree performance appraisal important for the development of the individual?

Yes No

9. What are some of the uses of 360-degree performance appraisal results?

(i)

(ii)

10. What is the number of appraisers per employee?

1 2 - 4 5 - 10 above 10

11. What is the frequency of use of the system?

Quarterly Semi - annually Annually Other (please specify)

12. Please give all the titles of the appraisers.

Supervisor Peer Student Parent Government representative

Other (please specify).....

13. On a scale of 1-5 (where 1 is Not at all, 2 is Small, 3 is Moderate, 4 is High and 5 is Very high)

what is the importance 360-degree performance appraisal process gives to:

(Please indicate the appropriate number in the box provided)

a.) Quality and accuracy of work

b.) Quantity of output

c.) Job knowledge

d.) Ability to work as a team member

e.) Future potential/ability to work in other departments

i.) Training and development needs

Section 2: Performance Appraisal and Job Satisfaction

(Please indicate the appropriate number in the box provided)

14. On a scale of 1-5 (where 1 is No opinion, 2 is Strongly disagree 3 is Disagree, 4 is Agree and 5 is

Strongly agree) what is your level of agreement with the following statements concerning your job?

i. I believe 360-degree performance appraisal is necessary in an organization

ii. 360-degree performance appraisal process is non threatening

- iii. If I do my job well I expect to be promoted to a job with more prestige and salary
- iv. I am aware through 360-degree performance appraisal of my performance in the organization
- v. I am aware of my appraisers' expectations
- vi. I feel that I can discuss both my behavior and that of others freely for development of the organization
- vii. I feel that the feedback given me from 360-degree performance appraisal has led to my training and development to become a better worker
- viii. I have good relations with my co-workers
- ix. In my job I am treated as a responsible and important person
- x. My job is important to the organization
- xi. I believe that through 360-degree performance appraisal my supervisor is aware of the difficulties I experience in my job
- xii. Communication between my supervisor and me is good because of 360-degree performance appraisal
- xiii. I believe that management can do more to improve relations between them and the workforce
- xiv. I have received all the help I require to do my job well
- xv. Considering 360-degree performance appraisal process, I am satisfied with my job at the present time

Thank you for your co-operation.

APPENDIX III: SELECTED PRIVATE SECONDARY SCHOOLS

St Martins, Kibagare
Strathmore School
Aga Khan Academy
Nairobi Academy
Light Academy
Oshwal High
Riara Springs
Roslyn Academy
St Catherine s Mountain View Academy
Loreto Convent, Msongari
Consolata Secondary
St Austin's Academy
St Christopher's Secondary School
St. Hanna's Preparatory and Secondary School
St. Elizabeth Academy
Forest View Academy
Impreza Academy
Don Bosco Secondary School
Hillcrest Secondary School
Augustana Academy
Sunshine Secondary School
Karengata Secondary
Loreto Convent, Valley Road
St. Mary's School
Makini Academy
Jeremie Adventist Academy
Braeburn High School
Liana School
Brookhouse School
Apostolic Carmel Girls