

A STUDY ON 360° PERFORMANCE APPRAISAL OF EMPLOYEES WITH SPECIAL REFERENCE TO COIMBATORE CAPITAL LIMITED, COIMBATORE

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Abstract:

A 360° Performance appraisal is a crucial tool in any organization, offering valuable insights that aid in key personnel decisions such as promotions, merit increases, and career development. It serves as a formal mechanism to evaluate an employee's performance, aligning individual contributions with organizational goals. This process helps bridge the gap between information gathering and decision-making, enhancing the efficiency of core HR functions like recruitment, selection, training, and compensation. Reliable performance data enables management to identify strengths and address weaknesses across departments. Once an employee is hired, trained, and motivated, performance appraisal becomes the next logical step to assess their effectiveness in the role. It reflects how successful the organization has been in staffing and developing its workforce. If discrepancies or performance issues are observed, managers can take corrective action through feedback and support to improve outcomes. Thus, performance appraisals not only help recognize high-performing employees but also serve as a tool for identifying areas for improvement, fostering continuous growth, and ensuring that human resource strategies align with business objectives. Overall, a well-structured appraisal system strengthens communication, boosts morale, and contributes to the overall success of the organization.

Keywords —360° Performance Appraisal, employee evaluation, career development, HR decisions, organizational goals, performance feedback, workforce effectiveness, talent management, continuous improvement, strategic HR alignment.

I. INTRODUCTION

360-degree performance appraisal is a comprehensive evaluation method that gathers feedback from supervisors, peers, subordinates, and even clients to assess employee performance. Unlike traditional top-down approaches, it offers a holistic view, promotes transparency, and supports employee development. While it has challenges like potential bias and the need for careful implementation, it empowers employees, enhances engagement, and helps managers make better decisions. Overall, it fosters a culture of continuous

improvement and aligns with modern HR practices focused on growth and accountability.

II. STATEMENT OF THE PROBLEM

All production and manufacturing company has various problems. You cannot find a single company without a problem. Sometimes the problem will not end. Identifying root causes of employee dissatisfaction is key to improving morale and motivation. Coimbatore Capital Limited risks losing skilled personnel, leading to talent drain and project disruption.

III. OBJECTIVES OF THE STUDY

- To identify the benefits and challenges of implementing a 360° performance appraisal system in the organization.
- To examine the role of 360° performance appraisal in improving organizational performance and achieving business goals.

SCOPE OF THE STUDY

- Assessing the effectiveness of the 360-degree performance appraisal system in attracting and selecting the right talent for projects within Coimbatore Capital Limited
- Exploring the extent to which the 360-degree performance appraisal system fosters a culture of feedback, transparency, and accountability within the organization.

RESEARCH METHODOLOGY

A research methodology defines the methods and approaches employed in order to locate and evaluate data pertaining to a certain study subject. It is a procedure by which researchers plan their investigation to enable them to use the chosen research tools to accomplish their goals.

RESEARCH DESIGN

“DESCRIPTIVE RESEARCH DESIGN” is the research design employed this project. It gives no explanation as to how, when, or why the features evolved. Rather, it responds to the ‘what’ question. Usually, the features that are used to describe the scenario are classified using a category scheme, also called descriptive categories.

SAMPLING TECHNIQUE

This study used simple random sample. Simple random sampling helps in obtaining a representative sample, minimizing selection bias, and allowing for the generalization of results to the broader population.

DATA COLLECTION

Primary data

It is a data which were newly gathered, unique in nature, having been acquired for the first time. The main source of data for this study was the questionnaire.

Secondary data

Secondary data means already collecting data .Common sources of secondary data for social science include censuses, information collected by government departments, organizational records and data that was originally collected for other research purposes.

RESEARCH TOOLS

Several tools are used in the analysis of the consumer data that was gathered during the survey. To gather information, we utilized

- Two way-ANOVA
- Multiple Linear Regression analysis
- Pearson Correlation Coefficient
- Factor Analysis.

ANALYSIS AND INTERPRETATION

CORRELATION ANALYSIS

The most popular method for calculating a linear correlation is to use the Pearson correlation Coefficient (r). The correlation coefficient, which ranges from -1 to 1, indicates the degree and Direction of the association between two variables. The direction of change in one variable is Reflected in the other.

Pearson Correlation Coefficient = $\rho(x,y) = \frac{\sum[(x_i - \bar{x}) * (y_i - \bar{y})]}{(\sigma_x * \sigma_y)}$

Where,

\bar{x} = Mean of x variable

\bar{y} = Mean of y variable

TO FIND THE CORRELATION BETWEEN 360-DEGREE APPRAISAL PROCESS HELP FEEL VALUED AT WORK AND FEEDBACK RECEIVED

THROUGH 360-DEGREE APPRAISAL IS UNBIASED

Correlations			
		360-degree appraisal process help feel valued at work	Feedback received through 360-degree appraisal is unbiased
360-degree appraisal process help feel valued at work	Pearson Correlation	1	.294*
	Sig. (2-tailed)		.031
	N	54	54
Feedback received through 360-degree appraisal is unbiased	Pearson Correlation	.294*	1
	Sig. (2-tailed)	.031	
	N	54	54

*. Correlation is significant at the 0.05 level (2-tailed).

Source:

Primary data

Between "360-degree appraisal process helps employees feel valued at work" and "feedback received through 360-degree appraisal is unbiased": A significant positive correlation ($r = 0.294$, $p < 0.05$) indicates that employees who feel more valued by the implementation of 360-degree feedback are also likely to perceive the feedback as unbiased and fair. This underscores that trust in feedback mechanisms enhances employee morale and sense of inclusion

FACTOR ANALYSIS

TO FIND THE FACTOR ANALYSIS BETWEEN RATE YOUR OVERALL ENGAGEMENT AFTER THE IMPLEMENTATION OF 360-DEGREE FEEDBACK AND THE 360-DEGREE APPRAISAL PROCESS HELP YOU FEEL VALUED AT WORK AND FEEL THE

FEEDBACK RECEIVED THROUGH 360-DEGREE APPRAISAL IS UNBIASED

Null Hypothesis (H₀)

There is no significant underlying factor structure among rate your overall engagement after the implementation of 360-degree feedback and the 360-degree appraisal process help you feel valued at work and feel the feedback received through 360-degree appraisal is unbiased

Alternate Hypothesis (H₁)

There is a significant underlying factor structure among rate your overall engagement after the implementation of 360-degree feedback and the 360-degree appraisal process help you feel valued at work and feel the feedback received through 360-degree appraisal is unbiased

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.631
Bartlett's Test of Sphericity	Approx. Chi-Square	20.63
	df	3
	Sig.	.000

Source: Primary data

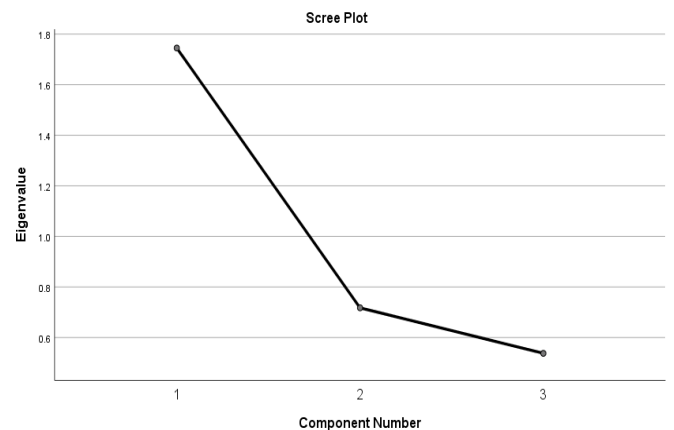
COMMUNALITIES		
	Initial	Extraction
Rate your overall engagement after the implementation of 360-degree feedback	1.000	Z.659
The 360-degree appraisal process help you feel valued at work	1.000	.591
Feel the feedback received through 360-degree appraisal is unbiased	1.000	.495
Extraction Method: Principal Component Analysis.		

The 360-degree appraisal process help you feel valued at work	.769
Feel the feedback received through 360-degree appraisal is unbiased	.704
Extraction Method: Principal Component Analysis.	
a. 1 components extracted.	

Source: Primary data

Variables: “rate overall engagement after 360-degree feedback implementation”, “360-degree appraisal process helps you feel valued at work”, “feedback received is unbiased”: KMO = 0.631, Bartlett’s $p < 0.001$. A single factor explains 58.2% of variance, showing these variables represent an overarching perception of system effectiveness

Total Variance Explained						
Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	1.745	58.167	58.167	1.745	58.167	58.167
2	.7173	23.913	82.080			
3	.5380	17.920	100.000			
Extraction Method: Principal Component Analysis.						



FINDINGS

- Perceived fairness in 360-degree feedback boosts emotional engagement and feeling valued
- Efficient, comfortable feedback processes improve teamwork.
- Engaged employees perceive feedback as fairer.
- Clear expectations and positive system views ease peer feedback.
- Transparency and teamwork foster a sense of inclusion.

Component Matrix ^a	
	Component 1
Rate your overall engagement after the implementation of 360-degree feedback	.812

- Time-consuming processes reduce participation—streamlining is key.
- Attitudes toward feedback matter more than education in peer exchanges.
- Engagement, feeling valued, and fairness are closely linked.
- Transparent systems improve decision-making and performance influence.
- System usability, clarity, and peer feedback ease confirm effectiveness.
- Participation, effort, and comfort form a

SUGGESTIONS

Make Feedback Clear and Honest-Use simple templates and train managers to give clear, helpful feedback. This builds trust and avoids confusion. Get Everyone Involved-Encourage feedback from all levels — bosses, teammates, and juniors. Use rewards and set clear rules to boost participation. Make the Process Easy -Use easy tools, reminders, and smart tech to save time and make giving feedback faster and better. Include Staff in Decisions -Use feedback to guide team talks and planning. This makes staff feel valued and more motivated. Link Feedback to Growth -Turn feedback into action — training, new roles, or promotions. This shows employees that feedback helps their careers. Talk Differently to Different Ages-Tailor your message. Older staff may prefer coaching; younger ones may like digital tips or team learning.

Discussion

The study shows that employees react well to feedback systems that are clear, fair, and help them grow. When feedback is honest and useful, people feel more motivated and involved in their work. Employees are more likely to join future feedback rounds if the feedback matches how they see themselves. This builds a helpful cycle that supports growth and positive change. When feedback feels fair, employees become more confident, open, and better team players. Age matters too. Younger workers like quick, group-

based feedback. Older ones prefer clear and structured reviews. This means feedback should be flexible, not the same for everyone.

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