

Employee Performance Assessment of PT.Satria Manunggal Petrolindo Using 360-Degree Feedback Method

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Abstract: PT Satria Manunggal Petrolindo is one of the partners in PT. Pertamina is engaged in the business of trading fuel oil. In running its business, PT Satria Manunggal Petrolindo has employees who are dedicated to their work. Employee performance at this company is one of the important aspects that need to be assessed related to efforts to improve performance and quality in achieving the company's business goals and objectives, where so far the assessment of employees is still using traditional appraisal methods. This assessment method causes some employees to feel uncomfortable and unmotivated at work so that employee productivity can decrease. With these problems, the authors conducted research on the performance of employees at PT Satria Manunggal Petrolindo. The method that will be used in measuring employee performance appraisal in the company is the 360-degree feedback method. This method uses comprehensive feedback from all levels around employees to assess performance according to work behavior which consists of five assessment components, namely: Self Appraisal, Manager Review, Peer Review, Subordinates Appraising Manager (SAM) and Customer/Client Review. The results of the research and evaluation of the problem in this study were the use of the 360-degree feedback method in evaluating employee performance. It is expected to be able to overcome the problems of employee performance appraisal so as to increase the comfort and work motivation of PT.Satria Manunggal Petrolindo which will have an impact on increasing the achievement of the company's business goals.

Keywords: employee performance appraisal, 360-degree feedback method

INTRODUCTION

Human resources are one of the important aspects in a company or organization that has a very vital role in carrying out the company's business activities. Because of this, the company will selectively choose employees who have performance in accordance with the standards required by the company. And the company will periodically evaluate the performance of its employees, this is intended to maintain stability or maybe even improve performance so that the productivity of the company will of course also increase. Employee performance appraisal according to (Mathis and Jackson, 2006) is the process of evaluating how well employees do their jobs compared to a set of standards and then communicating that information to employees. This is in line with the opinion of Gary Dessler, "Effective appraisal also requires that the supervisor set performance standards. And it requires that the employee receive the training, feedback, and incentives required to eliminate performance deficiencies (Dessler, 2013) which indicates that the established company standards and feedback from employee performance appraisals will make employee performance appraisals more effective, and of course this can avoid a decrease in the quality of employee performance. Employee performance appraisal needs to be done regularly to optimize the company's business goals and objectives. Having employees who are motivated and able to improve performance at work will bring benefits to the company.

PT. Satria Manunggal Petrolindo is a private company engaged in trading and services that sells fuel oil products for motor vehicles and for industries, in order to meet the need for fuel oil in the surrounding industrial area. In the process of evaluating employee performance at this company, it still uses the traditional assessment method where the assessment is still subjective by the leadership of the company. Because the assessment is only from one party, namely the leadership of the company, this results in the presence of several employees who



have close relationships with the leadership will get a high assessment score, while employees who do not have a close relationship with the leadership will get a low assessment score. Of course the assessment with this method will have an impact on increasing or decreasing employee performance because employees feel they have been treated unfairly, especially in terms of providing wages/salaries and job benefits based on the results of employee performance appraisals.

Seeing the situation above, it is necessary to renew the employee performance appraisal method that can accommodate all needs which include alignment between employee needs and company needs. The method that the author recommends is the 360-degree feedback method, in which this method applies a comprehensive assessment component from several points of view including Self Appraisal, Manager Review, Peer Review, Subordinates Appraising Manager, Customer/Client Review.

LITERATURE REVIEW

Employee Performance Appraisal

One of the definitions of employee performance appraisal is explained by Gary Dessler as follows, "Performance appraisal means evaluating an employees current and/or past performance relative to his/her performance standards" (Dessler, 2013). Another opinion about performance appraisal is expressed by Mathis and Jackson, "Performance appraisal is the process of evaluating how well employees are doing their jobs compared to a set of standards, and then communicating that information to employees" (Mathis and Jackson, 2006).

360-Degree Feedback Method

The definition of the 360-degree feedback method is "360-degrees feedback performance appraisal is an instrument used to measure employee work behavior based on evaluations from two or more sources, such as managers, co-workers, or subordinates, even involving outside parties such as customers" (Beehr et al, 1998). Some of the advantages of using the 360-degree feedback method from experts are:

1. Information obtained about employees is more accurate and comprehensive (Ryness et al, 2005)
2. Increase trust, cooperation, and communication between participants and those who are assessed as well as management participation and employee empowerment (Nowack, 2005)
3. Assessed more fair and potential for development and goal setting, reliable and trustworthy (Ryness et al, 2005)

METHOD

The steps of the method that the author did in this research can be seen in the following figure:

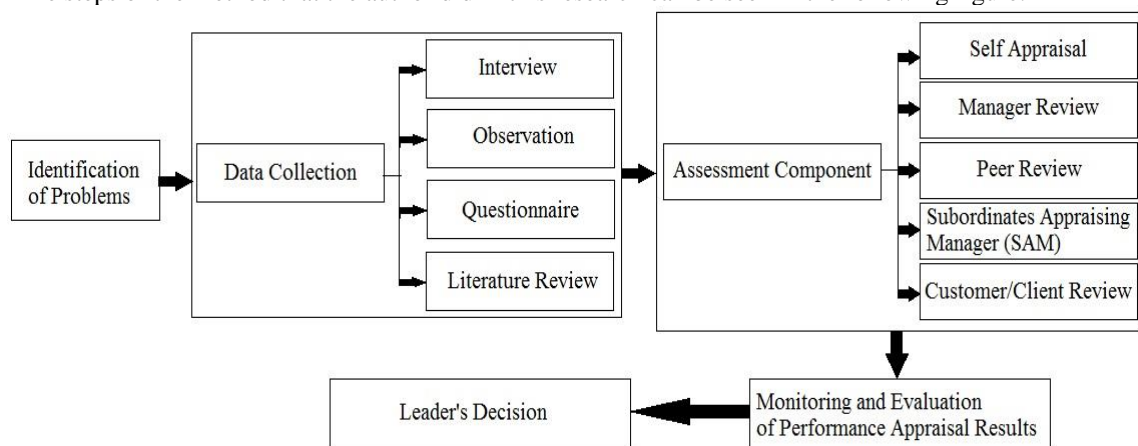


Fig 1. Research methodology

In the picture above can be formulated the flow of the research that the author did, as follows:

1. Problem Identification
Analyzing the problem of employee performance appraisal at PT. Satria Manunggal Petrolindo.
2. Data Collection
 - a. Interview
Data collection techniques in the form of information from sources related to the problems analyzed, in this case the sources can come from leaders, managers, employees and company customers/clients.
 - b. Observation

- The activity of understanding a process on the object of research and understanding the knowledge of the process, in this study the observation focuses on the process of employee performance appraisal activities.
- c. A list of questions
The data collection technique is by making a list of questions related to employee performance appraisal activities, this list of questions is asked to respondents who are involved in the employee performance appraisal process.
 - d. Literature review
Activities to collect information from written sources that can be obtained through company documents, books, internet, and others related to the author's research.
3. Assessment Component
- a. Self Appraisal
Employees are expected to be able to assess their own capacity, identify their own strengths and weaknesses.
 - b. Manager Review
Managers or leaders assess the performance of employees under their supervision.
 - c. Peer Review
Employee performance appraisal is carried out by co-workers on a team, including teamwork, employee initiative and employee contributions to the team.
 - d. Subordinates Appraising Manager
Managers evaluate and evaluate employees based on direct reports received by managers.
 - e. Customer/Client Reviews
Assessment based on the results of interviews and questionnaires on customers or clients who work directly with employees.
4. Monitoring and Evaluation of Performance Assessment Results
The results of the employee performance appraisal in point three above will then be monitored and evaluated by the company leadership.
5. Leadership Decision
The leadership's decision regarding employee performance will determine the position/position of the employee, this will have an impact on the wages/salary and job allowances that the employee will receive in the future.

RESULT

Determination of Employee Performance Appraisal

The process of determining the weights for employee performance appraisal criteria based on attendance data and an assessment form made by the company.

1. Determine the rater and the weight of the assessment

The raters and the weights for the assessments made by the appraisers can be seen in the following table:

Table 1. Value Weight – Evaluators

| No | Evaluator | Value Weight (%) |
|-------------|-----------------|------------------|
| 1 | Leader | 40 |
| 2 | Manager | 25 |
| 3 | Work Colleague | 15 |
| 4 | Customer/client | 10 |
| 5 | Worker | 10 |
| Total Value | | 100 |

2. Determine the assessment indicators

The next step is to determine the indicators needed in the employee performance appraisal process, which can be seen in the following table:

Table 2. Assessment Indicators and Weighted Scores

| No | Indicator | Value Weight (%) | | | | |
|----|-------------|------------------|---------|----------------|-----------------|--------|
| | | Leader | Manager | Work Colleague | Customer/Client | Worker |
| 1 | Personality | - | 40 | 40 | 100 | 50 |

| | | | | | | |
|-------------|------------|-----|-----|-----|-----|-----|
| 2 | Discipline | - | 20 | - | - | 50 |
| 3 | Teamwork | 60 | 30 | 60 | - | - |
| 4 | Leadership | 40 | 10 | - | - | - |
| Total Value | | 100 | 100 | 100 | 100 | 100 |

3. Determine the sub-criteria for the assessment

Determine the sub-criteria of the assessment criteria as shown in the following table:

Table 3. Determination of sub-criteria

| No | Criteria | Sub-Criteria |
|----|-------------|---------------------------------|
| 1 | Personality | Knowledge Field |
| | | Speed in Completing Work |
| | | Adaptability |
| | | Integrity |
| | | Appearance |
| 2 | Discipline | Presence |
| | | Punctuality |
| 3 | Teamwork | Communication Between Employees |
| | | Ability to Convey Ideas |
| | | Dependence on other Employees |
| 4 | Leadership | Ability to Organize Work |
| | | Self-Development Ability |

4. Determine the weight of the assessment of each sub-criteria based on the rater

The next step is to determine the weight given by the evaluators to each sub-criteria, which can be seen in the following table:

Table 4. Criteria and Weight of Assessment by Evaluators

| Evaluator | Criteria | Sub-Criteria | Value Weight |
|--------------------------|-------------|---------------------------------|--------------|
| Leader | Teamwork | Communication Between Employees | 20 |
| | | Ability to Convey Ideas | 20 |
| | | Dependence on other Employees | 20 |
| | Leadership | Ability to Organize Work | 20 |
| | | Self-Development Ability | 20 |
| Total Value | | | 100 |
| Manager | Personality | Knowledge Field | 8 |
| | | Speed in Completing Work | 8 |
| | | Adaptability | 8 |
| | | Integrity | 8 |
| | | Appearance | 8 |
| | Discipline | Presence | 10 |
| | | Punctuality | 10 |
| | Teamwork | Communication Between Employees | 10 |
| | | Ability to Convey Ideas | 10 |
| | | Dependence on other Employees | 10 |
| | Leadership | Ability to Organize Work | 5 |
| Self-Development Ability | | 5 | |

| | | | |
|------------------|-------------|---------------------------------|-----|
| Total Value | | | 100 |
| Work Colleague | Personality | Knowledge Field | 8 |
| | | Speed in Completing Work | 8 |
| | | Adaptability | 8 |
| | | Integrity | 8 |
| | | Appearance | 8 |
| | Teamwork | Communication Between Employees | 20 |
| | | Ability to Convey Ideas | 20 |
| | | Dependence on other Employees | 20 |
| Total Value | | | 100 |
| Customer/ Client | Personality | Knowledge Field | 20 |
| | | Speed in Completing Work | 20 |
| | | Adaptability | 20 |
| | | Integrity | 20 |
| | | Appearance | 20 |
| Total Value | | | 100 |
| Worker | Personality | Knowledge Field | 10 |
| | | Speed in Completing Work | 10 |
| | | Adaptability | 10 |
| | | Integrity | 10 |
| | | Appearance | 10 |
| | Discipline | Presence | 25 |
| | | Punctuality | 25 |
| Total Value | | | 100 |

5. Implementation of Employee Performance Assessment

In this study, an example of employee performance appraisal with employee data analysis will be given as follows:

Employee Name : Andi
Position : Assistant Manager
Head of PT : Director
Manager : Finance Manager
Colleagues : Finance Staff
Customer/Client : Personnel Department

Table 5. Employee Performance Assessment Andi

| Evaluator | Criteria | Sub-Criteria | Value Weight (%) | Score | Value |
|-------------|-------------|---------------------------------|------------------|-------|------------------------|
| | | | | | (Value weight * Score) |
| Leader | Teamwork | Communication Between Employees | 20 | 90 | 18 |
| | | Ability to Convey Ideas | 20 | 75 | 15 |
| | | Dependence on other Employees | 20 | 80 | 16 |
| | Leadership | Ability to Organize Work | 20 | 90 | 18 |
| | | Self-Development Ability | 20 | 80 | 16 |
| Total Value | | | 100 | - | 83 |
| Manager | Personality | Knowledge Field | 8 | 95 | 7,6 |
| | | Speed in Completing Work | 8 | 80 | 6,4 |

| | | | | | |
|------------------|-------------|---------------------------------|-----|-----|-------|
| | | Adaptability | 8 | 75 | 6 |
| | | Integrity | 8 | 90 | 7,2 |
| | | Appearance | 8 | 95 | 7,6 |
| | Discipline | Presence | 10 | 100 | 10 |
| | | Punctuality | 10 | 100 | 10 |
| | Teamwork | Communication Between Employees | 10 | 80 | 8 |
| | | Ability to Convey Ideas | 10 | 80 | 8 |
| | | Dependence on other Employees | 10 | 90 | 9 |
| | Leadership | Ability to Organize Work | 5 | 80 | 4 |
| | | Self-Development Ability | 5 | 75 | 3,75 |
| Total Value | | | 100 | - | 87,55 |
| Work Colleague | Personality | Knowledge Field | 8 | 85 | 6,8 |
| | | Speed in Completing Work | 8 | 90 | 7,2 |
| | | Adaptability | 8 | 85 | 6,8 |
| | | Integrity | 8 | 70 | 5,6 |
| | | Appearance | 8 | 90 | 7,2 |
| | Teamwork | Communication Between Employees | 20 | 75 | 15 |
| | | Ability to Convey Ideas | 20 | 80 | 16 |
| | | Dependence on other Employees | 20 | 80 | 16 |
| Total Value | | | 100 | - | 80,6 |
| Customer/ Client | Personality | Knowledge Field | 20 | 95 | 19 |
| | | Speed in Completing Work | 20 | 90 | 18 |
| | | Adaptability | 20 | 80 | 16 |
| | | Integrity | 20 | 90 | 18 |
| | | Appearance | 20 | 100 | 20 |
| Total Value | | | 100 | - | 91 |
| Worker | Personality | Knowledge Field | 10 | 80 | 8 |
| | | Speed in Completing Work | 10 | 80 | 8 |
| | | Adaptability | 10 | 80 | 8 |
| | | Integrity | 10 | 80 | 8 |
| | | Appearance | 10 | 80 | 8 |
| | Discipline | Presence | 25 | 100 | 25 |
| | | Punctuality | 25 | 100 | 25 |
| Total Value | | | 100 | - | 90 |

After the sub-criteria assessment is carried out by each evaluator, the final value is determined according to the percentage in table 1, resulting in the final employee score as follows:

Table 6. Final Score Calculation of Employee Performance Appraisal

| No | Evaluator | Value Weight (%) | Value | Final Score |
|----|-----------------|------------------|-------|-------------|
| 1 | Leader | 40 | 83 | 33,2 |
| 2 | Manager | 25 | 87,55 | 21,8875 |
| 3 | Work Colleague | 15 | 80,6 | 12,09 |
| 4 | Customer/client | 10 | 91 | 9,1 |

| | | | | |
|-------------|--------|-----|----|-------|
| 5 | Worker | 10 | 90 | 9 |
| Total Value | | 100 | - | 85,28 |

Monitoring and Evaluation of Performance Assessment Results

At the stage of the employee performance appraisal process that has been carried out in table 5 and table 6, then monitoring and evaluation will be carried out on the results of the employee performance appraisal. Evaluation results Employee performance appraisal can be seen in table 7 below.

Table 7. Evaluation Results (Performance)

| Evaluation Value | Evaluation Result | Action |
|------------------|-------------------|----------------------------------|
| 91 - 100 | Very Good | Promotion |
| | | Allowance Increase |
| 76 - 90 | Good | Allowance Increase |
| | | Training |
| 51 - 75 | Middling | Performance Improvement Briefing |
| | | Training |
| 36 - 50 | Bad | Warning |
| | | Training |
| | | Mutation/Demotion |
| 0 - 35 | Very Bad | Termination |

Based on the results of the evaluation (performance) in table 7, it can be done an evaluation of the final score of the employee in table 6, where the result of the final score of the employee performance appraisal = 85.28. The results of the evaluation of Andi's employees are GOOD and get the "Allowance Increase" and "Training" actions.

Leader's Decision

From the monitoring and evaluation activities of the employee performance appraisal, the following results were obtained:

Table 8. Final Results of Employee Performance Assessment

| Employee Performance Assessment Results | | |
|---|-------------------|--------------------|
| Employee Name : Andi | | |
| Position : Assistant Manager | | |
| Final Score | Evaluation Result | Recommendation |
| 85,28 | GOOD | Allowance Increase |
| | | Training |

DISCUSSIONS

Based on the analysis of the results of employee performance appraisals using the 360-degree feedback method, it is known that employee performance appraisals are not only carried out by one party (company leadership) which is a traditional assessment, but the assessment is carried out with feedback from several parties around the employees. such as leaders who give instructions, managers who supervise and control employee performance, co-workers who are in the same level of work, customers/clients who often interact directly with employees, and even employees have the right to assess their own performance. This of course has a positive impact on employees and the company, where employees will feel more valued and feel responsible for their work, while for companies will get greater profits from employee performance which has increased.

CONCLUSION

Based on the research that has been done by the author, it can be concluded that the application of the 360-degree feedback method in the employee performance appraisal process is one method that produces an objective assessment. The final results obtained in the assessment process will be taken into consideration by company leaders in making decisions about the future of employees and the company. Employees can also

increase comfort and motivation to work at PT. Satria Manunggal Petrolindo, which will ultimately have an impact on improving the company's performance and achieving the company's business goals.

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