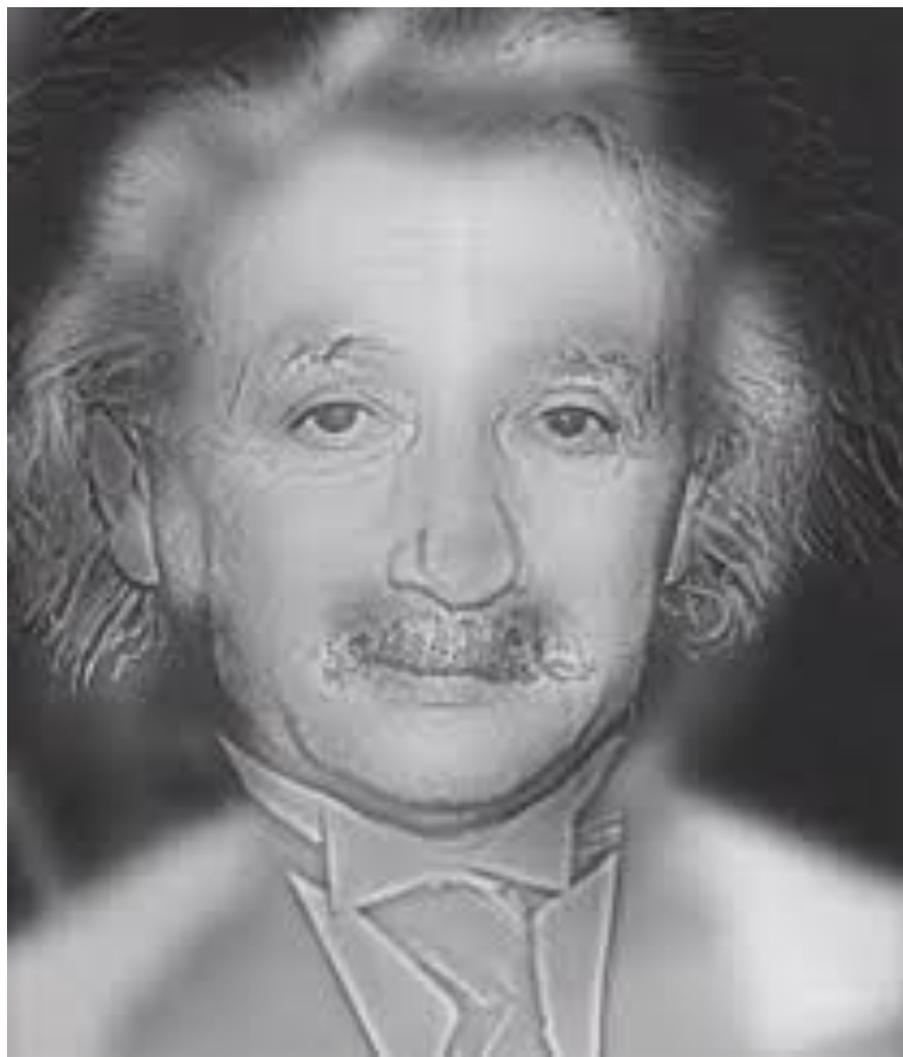
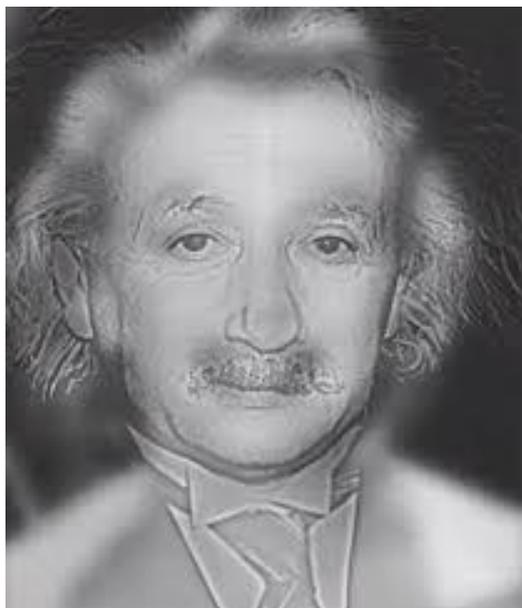


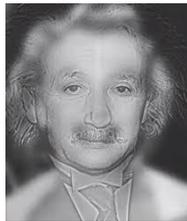
# The influence of organizational context, culture and interpersonal affect on 360-degree ratings



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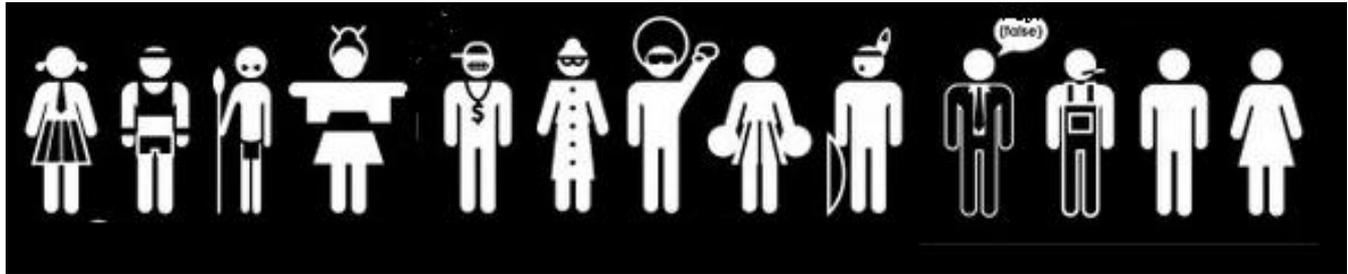








*Avoid 'Sophisticated Stereotyping' (Osland and Bird, 2000, p.66) and seek to understand the dynamic (and just static) aspects of Organizational Context in SMEs.*



# Doctoral Research on Leadership Development in Singaporean SMEs



Qualitative Longitudinal Comparative Case Study Approach (Yin, 2014) to investigate *“How do Singaporean SMEs best develop effective leaders?”*

7 middle managers from 2 Successful Singaporean SMEs studied over a year

## Phase 1 (Completed)

1<sup>st</sup> Measurement using **360-degree Competing Values Framework Survey** ([Quinn, 2011](#)); Interviews, Direct Observations and Documentation

## Phase 2 (Upcoming)

2<sup>nd</sup> Measurement using **360-degree CVF Survey** ([Quinn, 2011](#)); Interviews, Direct Observations, Documentations, Leadership Development Journal

360-degree CVF ratings by  
Self, Subordinates and  
Superior(s)



*Comparison of patterns  
across two cases*

## Key Similarities:

1. Services Sector
2. Chinese Owned and Run (Ownership/Ethnicity)
3. Fairly large SMEs (Size)
4. Financially outperforming their peers (Turnover/Profit)



**SME-A**



## Key Differences:

1. Intensity of Industry Rivalry (A-High; B-Low)
2. Organizational Life Cycle (A-Growth; B-Mature)
3. Culture (A-Clan; B-Hierarchical)
4. Structure (A-Organic; B-Mechanistic)
5. Owner-Manager Involvement (A-Active; B-Passive)



**SME-B**

Manager	Gender	Age	Education Level	Nationality	Total Working Experience	Length of Employment in the Company	Length of Experience Leading Others
SA-M1	Female	34	Tertiary	China	17 years	9 years	9 years
SA-M2	Female	38	'A-Levels' (College)	Malaysian	18 years	1 year 10 months	1 year 10 months
SA-M3	Male	28	Diploma	Singaporean	8 years	5 years	5 years
SB-M1	Male	32	'O-Levels' (High School)	Singaporean	10 years	9 years	7 years
SB-M2	Male	33	NTC2 (Vocational College)	Singaporean	17 years	12 years	12 years
SB-M3	Male	32	'O-Levels' (High School)	Singaporean	11 years	10 years	5 years
SB-M4	Male	29	'N-Levels' (High School)	Singaporean	16 years	7 years	2 years

## Participant (Manager) Profile

1. All ethnic Chinese
2. Similar age group (29-38)
3. Possess between 8 to 18 years of working experience
4. SME-A managers obtained a higher level of education than SME-B.
5. SME-B managers are ALL Singaporeans, whereas SME-A managers come from China, Malaysia and Singapore.

# Literature Review on the Effect of Culture on 360-Degree Ratings

Cultural differences lead to discrepancies in ratings ([Atwater et al., 2009](#); [Gentry et al., 2010](#)), which could be a result of different perceptions of leadership in different cultures ([Eckert et al. 2010](#))

## **Collectivist Cultures**

Rate closer to the mean and avoid extreme ratings ([Hui and Triandis, 1989](#))

Chinese employees were generally less favorable (modesty bias) than their supervisors whereas US employees are more lenient (leniency bias) than their supervisors ([Farh et al., 1991](#))

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## **Lower Power Distance and Individualistic Cultures**

More effective 360-degree feedback process as there is a lack of the apprehension of being seen as critical or disrupting the group harmony in their feedback ([Shipper et al., 2007](#))

# Literature Review on the Effect of Interpersonal Affect on 360-Degree Ratings

Interpersonal affect constitutes a like-dislike reaction and is considered "the major currency in which social intercourse is transacted" ([Zajonc, 1980, p.153](#)). Different forms include friendship ([Love, 1981](#)), physical attractiveness ([Cash, Gillen and Burns, 1977](#)), and the extent of familiarity between raters and ratees ([Jacobs and Kozlowski, 1985](#))

Positive affect resulted in higher levels of positive halo in ratings ([Williams and Keating, 1987](#); [Tsui and Barry, 1986](#)). Negative affect tended to exhibit negative halo ([Tsui and Barry, 1986](#)).

[Antonioni and Park \(2001\)](#) found that there is a **greater predisposition to leniency from the raters rating upwards and horizontally rather than downwards** as supervisors tend to have greater experience in evaluating others, which contributed to the development of cognitive criteria that are more attuned to relevant work behaviors

# Key Findings

On average, ratings on the managers provided by SME-B subordinates are 17% higher than ratings given by the superiors, compared to 2.7% for SME-A. Therefore SME-B subordinates is more than 6 times more lenient than SME-A subordinates.

## Possible Explanations:

1. SME-B only provided 2 subordinate-raters for each manager (compared to 3-4 subordinates for SME-A managers), thereby increasing the chances of being identified, which may lead to more favorable ratings ([Antonioni, 1996](#); [Roch et. al., 2005](#))
2. SME-B has a markedly different organizational culture (Hierarchical) compared to SME-A (Clan). SME-B's culture typifies the High Power Distance in Confucian-Asian culture. SME-A's culture promotes openness, flexibility, and empowerment to managers that is not representative of Confucian-Asian cultures.

# Key Findings

The only two female managers (from SME-A) overrated themselves by about 3%. However, the sole male manager (from SME-A) underrated himself by 23%.

Female managers are more likely to underrate their performance compared with men (Fletcher, 1999), but recent research suggest less or no distinction in self-rating between genders (Millmore et. al., 2007)

## Possible Explanations:

1. Male manager has comparatively less working experience (10 years) compared to the two female managers, leading to possible lower self-confidence, which resulted in underrating of self.
2. SME-A is owned and managed by a husband-and-wife team, with the wife playing a very active role in the company. There is also an even number of male to female managers in SME-A, creating a culture of gender equality.

# Practical and Research Considerations

- Consider ‘Value Trumping’ (Osland and Bird, 2000, p.69) of organizational context (Nardon and Steers, 2014) over ‘Sophisticated Stereotyping’ (Osland and Bird, 2000, p.66).
  - ‘organizational culture (that) may either replicate or reject national cultural values and norms, creating a microenvironment in which national norms are reinforced or do not apply’ (Nardon and Steers, 2014, p. 139)

# Practical and Research Considerations

- Include dynamic aspects of organizational context in research and not just stop at static aspects ([Porter and McLaughlin, 2006](#)).
  - Static: Size; Ownership; Industry;
  - Dynamic: Culture/Structure; State/Condition; Organization Life Cycle; People Composition; Owner-Manager Involvement

# Practical and Research Considerations

- Effect of identifiability in multi-rater feedback on ratings in the context of SMEs needs to be further explored
  - Operational demands and size of SMEs place a constrain on providing sufficient subordinate and/or peer raters to uphold anonymity (recommended by Antonioni (1996) to be at 5 peers/subordinates to each ratee)

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