

Construct Validity of Multi-Source Performance Ratings: An Examination of the Relationship of Self-, Supervisor-, and Peer-Ratings with Cognitive and Personality Measures

Edwin A. J. van Hooft^{*}, Henk van der Flier and Marjolein R. Minne
Free University Amsterdam

Although more and more organizations prefer using multi-source performance ratings or 360° feedback over traditional performance appraisals, researchers have been rather skeptical regarding the reliability and validity of such ratings. The present study examined the validity of self-, supervisor-, and peer-ratings of 195 employees in a Dutch public organization, using scores on an In-Basket exercise, an intelligence test, and a personality questionnaire as external criterion measures. Interrater agreement ranged from .28 to .38. Variance in the ratings was explained by both method and content factors. Support for the external construct validity was rather weak. Supervisor-ratings were not found to be superior to self- and peer-ratings in predicting the scores on the external measures.

Performance feedback in an organizational setting by multiple sources (e.g., supervisor, peers, subordinates, and self), or 360° feedback, is enjoying great popularity. An increasing number of organizations have started using some kind of multi-source performance feedback (Church & Bracken, 1997; London & Smither, 1995). Estimates of the percentage of organizations in the United States using 360° feedback procedures vary between 6% (Bettenhausen & Fedor, 1997) and 12% (Antonioni, 1996). A more recent survey among large organizations in the Netherlands reported that 28% of the participating companies used 360° feedback (Jellema, 2000). Multi-source and 360° feedback has also attracted much research attention in the last decade. The majority of 360° feedback studies focused on either issues such as self-other agreement and the impact of 360° feedback on behavioral change (for reviews, see: Atwater, Waldman, & Brett, 2002; London & Smither, 1995) or on the psychometric properties of multi-source performance ratings in terms of interrater agreement (for a meta-analysis, see : Conway & Huffcutt, 1997)

An earlier version of this article was presented at the 20th Annual Conference of the Society for Industrial and Organizational Psychology, April 2005, Los Angeles.

^{*}Edwin A. J. van Hooft is now at the Institute of Psychology, Erasmus University Rotterdam. Address for correspondence: Edwin A. J. van Hooft, Institute of Psychology, Erasmus University Rotterdam, PO 1738, 3000 DR Rotterdam, The Netherlands. E-mail: vanhooft@fsw.eur.nl

and validity. Studies on the validity of 360° feedback ratings mostly focused on construct validity by comparing the ratings within and between the different sources (e.g., self, supervisor, peers, and subordinates). Only very few studies have used external criteria for validating 360° feedback ratings. The main purpose of the current study therefore was to investigate the external construct validity of multi-source ratings within a nomological network of cognitive and personality measures.

Performance Appraisal and 360° Feedback

Performance appraisal in general is an important topic for many organizations. A British study revealed that 82% of the participating organizations operated some formal performance appraisal scheme (Long, 1986). Murphy and Cleveland (1991) reported several studies indicating that 74–89% of the surveyed organizations had a formal performance appraisal system. Thus, performance appraisal is widely used in organizations. The four main *purposes* for using performance reviews are (Drenth, 1998; Murphy & Cleveland, 1991): (a) administrative purposes (e.g., decisions about promotions, remuneration, or dismissal), (b) employee development, (c) assessment of potential, and (d) research purposes (e.g., use as criterion).

Three hundred and sixty-degree feedback systems are mainly used for the purpose of employee development,

although over the last decade more and more organizations have started using these systems for administrative purposes as well (Bettenhausen & Fedor, 1997; Fletcher, Baldry, & Cunningham-Snell, 1998; London & Smither, 1995; Waldman, Atwater, & Antonioni, 1998). However, the use of multi-source ratings to base personnel decisions on has caused much debate (e.g., DeNisi & Kluger, 2000; Fletcher, 1998; Lepsinger & Lucia, 1997; Toegel & Conger, 2003). Many authors have argued against the use of multi-source ratings for administrative purposes because it affects the quality of the ratings (e.g., more leniency, less variability, more halo; Fahr, Cannella, & Bedeian, 1991; Murphy & Cleveland, 1991; Zedeck & Cascio, 1982), reduces the user acceptance (Bettenhausen & Fedor, 1997; Fahr *et al.*, 1991; McEvoy & Buller, 1987), and influences the requirements the system has to meet regarding the *content* of the appraisal and the *agreement* among rating sources.

With regard to the content of the appraisal, 360° systems serving developmental purposes must be specific and concrete. In addition, the dimensions that are used in the appraisal and the feedback must be changeable. Therefore, when aiming at employee development, it is specific *employee behavior* that should be appraised, in order to provide rich and detailed data (Drenth, 1998; Toegel & Conger, 2003). Appraisals serving administrative purposes should especially be objective and reliable. Objectivity and reliability positively influence the fairness perceptions of appraisees regarding the performance appraisal, and fairness perceptions are extremely important in the area of personnel decisions. Therefore, appraisal on some kind of measurable output, that is *behavioral results*, is most suitable in this case (Drenth, 1998).

The agreement between rating sources used in a 360° setting is usually rather low (Conway & Huffcutt, 1997; Harris & Schaubroeck, 1988). When 360° systems are used for developmental purposes, low or moderate interrater agreement is not problematic, and to some extent even desirable. Different raters, from various hierarchical levels, provide different viewpoints of the ratee's performance. As Toegel and Conger (2003) note, differences between rating sources reflect legitimate differences in the perceptions of the ratee's various roles. In support of this idea, Scullen, Mount, and Goff (2000) found that an important proportion of the variance in supervisor and subordinate ratings is perspective-related, that is, unique to the rating source. Because of these unique perspectives, a high interrater agreement between sources should not be expected (Greguras & Robie, 1998). Moreover, if high interrater agreement existed, indicating that raters are interchangeable, using multiple sources would be superfluous (Murphy & Cleveland, 1991). Thus, for developmental purposes feedback from various rater groups is desirable, in that it provides ratees with different views of their performance. Inconsistencies in ratings are acceptable, and regarded as informational. For administrative purposes, however, low

interrater agreement is problematic. Consolidation of the appraisal information into one global judgment has to be possible, in that personnel decisions can be based on it (Drenth, 1998). Several studies have demonstrated that individual raters share little common variance, and aggregating ratings in 360° settings thus may thus be inappropriate (Greguras & Robie, 1998; Mount, Judge, Scullen, Sytsma, & Hezlett, 1998; see also London & Smither, 1995). Based on the different requirements that 360° systems have to meet, Toegel and Conger (2003) argued for using separate appraisal procedures for developmental purposes and for administrative purposes.

Three Hundred and Sixty-Degree Feedback and Validity Evidence

As mentioned above, research has found little evidence for the validity of 360° ratings in terms of interrater agreement between different rating sources. In Conway and Huffcutt's (1997) meta-analysis, uncorrected correlations between rater categories ranged from .14 (self-subordinate) to .34 (peer-supervisor). Interrater agreement within rating sources does not seem to be much higher (Greguras & Robie, 1998; Mount *et al.*, 1998).

Other research on the construct validity of 360° systems has focused on examining the extent to which the variance in 360° ratings can be attributed to the ratee's performance on the one hand and to rater characteristics (i.e., organizational level of the rater or individual rating tendencies of the rater) on the other hand. Conway (1996) analyzed 20 multitrait-multirater (MTMR) studies and found a considerable proportion of method variance (i.e., variance because of rater effects) in the data. Greguras and Robie (1998) demonstrated that rater effects explain more variance in supervisor-, peer-, and subordinate-ratings than ratee effects. In their studies, using data sets consisting of over 2000 managers, Mount *et al.* (1998) and Scullen *et al.* (2000) reported strong method effects. Moreover, they showed that method variance in 360° ratings is associated more strongly with individual rating tendencies of the raters than with their organizational level (e.g., supervisor, peer, subordinate, or self). Overall, research using the MTMR approach has consistently found substantial method effects in 360° ratings.

Method effects associated with the rater's organizational level can be interpreted as part of true performance (Scullen *et al.*, 2000), because the difference in organizational level may cause raters to observe and assess different aspects of the ratee's performance (Bozeman, 1997). This then raises the question of what aspects of the ratee's performance are being measured by ratings of various rating sources. This question can be addressed by investigating the construct validity of 360° ratings within a broader nomological network of intelligence, personality, skills, and abilities. However, relatively little is known about the relationship of

360° ratings with such external measures. Among the few exceptions is a study by Vance, Coovert, MacCallum, and Hedge (1989), who found a moderate relationship of an averaged task rating based on self-, supervisor-, and peer-ratings with an aptitude test in a sample of 201 job engine mechanics. Lance, Teachout, and Donnelly (1992) reported correlations ranging from .21 to .29 between 360° ratings and a work sample test. More recent, Atkins and Wood (2002) used assessment center (AC) ratings to validate 360° ratings. In their study among 63 team leaders in a service company, they found a correlation of .39 between the overall AC score and the averaged supervisor-peer-subordinate rating. Correlations between individual raters and separate AC exercises, however, were mostly non-significant.

Present Study

The current study extends the work that has been performed in this area by examining the external construct validity of 360° ratings using not only an AC exercise, but an intelligence test and a personality questionnaire as well. Moreover, as Borman (1997) noted, an important issue in the field of 360° feedback is whether additional ratings sources provide incremental validity beyond the ratings of the supervisor. We examined this issue empirically using three external measures. In addition to the external construct validity and the incremental validity, the interrater agreement and the internal construct validity of the 360° ratings were investigated. Finally, the implications of findings for the use of 360° ratings for developmental vs. administrative purposes were discussed.

Hypotheses were tested concerning interrater agreement, internal construct validity, external construct validity, and incremental validity. Based on previous meta-analytical research on *interrater agreement* (Conway & Huffcutt, 1997; Harris & Schaubroeck, 1988), we expected that the supervisor-peer agreement would be higher than the supervisor-self agreement (Hypothesis 1a), and higher than the peer-self agreement (Hypothesis 1b).

For multi-source ratings to be *internally construct valid*, the factors underlying the ratings should reflect the ratee's competencies or traits rather than the rating source (i.e., method). Using a confirmatory factor analysis (CFA) approach, it was hypothesized that the variance in the ratings could be explained by trait factors rather than by method factors (Hypothesis 2).

Regarding the *external construct validity* of the multi-source performance appraisal instrument, a number of relationships were expected between the multi-source ratings and the three external measures. First, a positive relationship was hypothesized between the total averaged score on the multi-source instrument and the total score on the In-Basket exercise (Hypothesis 3a), because previous research has demonstrated that overall AC ratings posi-

tively relate to general job performance (Arthur, Day, McNelly, & Edens, 2003; Schmidt & Hunter, 1998), and the total score on the multi-source instrument can be interpreted as a measure of general job performance. Second, research has consistently found that individuals with higher scores on tests of general mental ability perform better in their jobs than others (e.g., Schmidt & Hunter, 1998). Again, because the total score on the multi-source instrument can be interpreted as a measure of general job performance, we expected a positive relationship between the total score and general intelligence (Hypothesis 3b).

In addition to relationships on the level of the total scores on the multi-source instrument, we expected a number of relationships at the dimensions level. The multi-source instrument consists of 14 behavioral dimensions (see Table 1 for an overview of the dimensions and their definitions), which were all expected to correlate with conceptually similar or related scales of the external measures. First, the dimensions organizing and planning and judgment were hypothesized to relate positively to the total score on the In-Basket exercise (Hypothesis 4a), because an In-Basket is an AC exercise focusing on people's potential to analyze problems, plan actions to deal with the problems, and set priorities. As shown by the definitions in Table 1, the multi-source dimensions judgment and organizing and planning are conceptually similar to the competencies as measured by an In-Basket. Second, the dimensions judgment and adaptability were hypothesized to relate positively to general mental ability (Hypothesis 4b). Using sound judgment and problem-solving ability are generally interpreted as important components of intelligence (Sternberg, 2000). In Arthur *et al.*'s (2003) meta-analysis, judgment and general mental ability were categorized in the same main category of problem solving. Adaptability relates to effective behavior in new and changing situations. The ability to adapt to the environment is generally thought to be an important component of general intelligence (Sternberg, 2000).

Third, we hypothesized that the multi-source dimensions would correlate with conceptually similar or related personality traits (Hypothesis 5a). In addition, it was hypothesized that the average correlation between conceptually similar dimensions exceeded the average correlation between conceptually non-similar dimensions (Hypothesis 5b).

Finally, we investigated the *incremental validity* of the self-ratings and the peer-ratings over the supervisor-ratings, using the three external measures. Previous research has shown that supervisor-ratings are more reliable than ratings of other sources (Conway & Huffcutt, 1997; Greguras & Robie, 1998; Viswesvaran, Ones, & Schmidt, 1996). Scullen *et al.* (2000) concluded that supervisor-ratings captured more of the ratee's actual performance than ratings from other sources. Moreover, Atkins and Wood (2002) found that supervisor-ratings showed higher

Table 1. Overview of the dimensions of the multi-source instrument, the classification, the means and standard deviations

Multi-source dimensions	Definition	Self-rating		Supervisor-rating		Peer-rating		Total-rating	
		Mean	SD	Mean	SD	Mean	SD	Mean	SD
Administrative skills									
Organizing and planning	Establishes priorities in goals and activities, and indicates when and how goals have to be attained	3.48	0.74	3.39	0.71	3.50	0.75	3.49	0.55
Progress control	Controls the progress of tasks and activities and adjusts plans if necessary	3.34	0.58	3.30	0.63	3.34	0.67	3.37	0.42
Decisiveness	Takes the plunge, does not postpone decisions unnecessary, takes action, makes explicit decisions, takes position	3.65	0.74	3.34	0.68	3.66	0.82	3.58	0.56
Human skills									
Tact	Is sensitive, takes the interests of others into consideration when acting	3.47	0.76	3.15	0.76	3.36	0.87	3.32	0.59
Effort	Produces more than the average, performs beyond that what is asked for, is energetic and enthusiastic	4.04	0.67	3.88	0.67	4.00	0.75	3.99	0.50
Adaptability	Remains effective under changing circumstances, is able to adapt to new situations, gives up initial goals if necessary	3.69	0.62	3.41	0.61	3.58	0.72	3.57	0.47
Flexibility	Remains effective in case of resistance, problems, or opportunities by choosing different methods of working	3.78	0.64	3.45	0.64	3.69	0.72	3.65	0.44
Persuasiveness	Is able to win others over to his/her position by putting forward relevant arguments at the right time and in the right way	3.56	0.69	3.29	0.69	3.56	0.76	3.47	0.53
Technical skills									
Judgment	Recognizes all important aspects, takes different viewpoints when analyzing situations, distinguishes between main and side-issues and between cause and effect	3.71	0.60	3.49	0.68	3.75	0.71	3.67	0.50
Independence	Goes by his/her own judgment, does not act on the basis of opinions and reactions of others	3.55	0.70	3.48	0.71	3.69	0.76	3.60	0.51
Other									
Internal customer orientation	Recognizes and takes into account the needs and interests of internal customers	3.89	0.57	3.65	0.61	3.75	0.78	3.76	0.45
Stress tolerance	Remains effective when under pressure and in case of setbacks and disappointment, is not put of balance easily	3.66	0.75	3.49	0.70	3.67	0.80	3.63	0.53
Initiative	Begins out of his/her own accord, does not await, searches for opportunities, recognizes obstacles and acts accordingly	3.78	0.75	3.57	0.78	3.68	0.79	3.71	0.58
Oral communication	Expresses him/herself well in conversations, meetings and presentations, uses words and gestures effectively	3.47	0.71	3.35	0.65	3.64	0.78	3.49	0.49
Composite performance score		3.65	0.36	3.45	0.37	3.63	0.44	3.59	0.29

correlations with overall AC ratings than ratings from other sources. Therefore, we expected that supervisor-ratings would show higher external construct validity than self-ratings (Hypothesis 6a) and peer-ratings (Hypothesis 6b). However, as Kane and Lawler (1979) posited, no rating source is superior in every situation. Raters can only assess behavior that is observable for them. Using more raters, and using raters from different organizational levels, results in more opportunities to observe, and a more complete picture of the ratee (Cascio, 1991). Although ratings from different sources usually correlate only weakly, several authors have noted that these ratings may still be valid as they reflect different aspects of the ratee's performance (e.g., Bozeman, 1997). In line with this argument, we expected that self- and peer-ratings would show incremental validity over ratings by the supervisor (Hypothesis 7).

Method

Sample and Procedure

Multi-source ratings were collected of 195 employees in a large Dutch public organization. The ratings were completed as a part of an employee development program. As a part of the employee development program, participants also completed an intelligence test (MBS-Brain-H), an In-Basket exercise ("Zeezicht"), and a personality questionnaire (MBS-Quest). The MBS-Quest and the MBS-Brain-H both are part of the basic set of tests for personnel selection from the Dutch consulting firm Meurs HRM (MBS; see Evers, Van Vliet-Mulder, & Groot, 2000).

The mean age of the ratees was 38.6, varying between 24 and 55 ($SD = 6.32$). Eighty percent ($n = 156$) of the ratees was male, and 55.4% ($n = 108$) had completed higher vocational or academic education (similar to a bachelor's and master's degree, respectively). The supervisor and two peers of the ratee acted as raters. In addition, the employee completed a self-rating. Self-ratings were completed by 168–172 employees and supervisor-ratings were completed for 188–195 employees. One peer-rating was available for 182–191 employees. Because a second peer-rating was available for 144–155 employees only, these ratings were excluded from the analyses in order to maximize the number of valid cases.

Instruments

The multi-source feedback instrument consisted of 14 dimensions, which were all measured by one item. Items were completed by using five-point Likert scales, with response options being *weak*, *moderate*, *normal*, *good*, and *strong*. For every dimension, a definition was provided on the rating form, as well as at least two negative and two positive behavioral descriptions. The multi-source feedback instrument was developed in the mid-1990s by the public organization. The theoretical basis for the develop-

ment was a list of 50 behavioral dimensions based on the managerial dimensions as identified by Thornton and Byham (1982). A team of experts was formed to reach consensus on the clustering of the 50 dimensions into a smaller set. This, and the input of various user groups (e.g., human resource staff, managers), resulted in the 14 dimensions and definitions as presented in Table 1.

Intelligence Test. The MBS-Brain-H is an intelligence test, developed by Meurs HRM, which is designed to measure general mental ability. The test consists of five subtests: analogies (18 items), number series (14 items), series of figures (19 items), number work (12 items), and vocabulary (34 items). All subtests have a time limit, varying between 5 and 15 min. Based on the internal consistency reliabilities ($KR-20$) and the split-half reliabilities of the subtests (see Houtman, 1996), the stratified α of the total score of the Brain is .83 and .84, respectively. The validity of the Brain test is satisfactory, as is indicated by moderate to strong correlations of the total score with several external criteria (i.e., course grades and training ratings; Evers *et al.*, 2000; Houtman, Van Leeuwen, & Vinke, 1999).

In-Basket Exercise. The Zeezicht PC In-Basket is an AC exercise that assesses managerial potential. The Zeezicht test is the Dutch adaptation by De Kok (1996) of the "Seeblick" PC In-Basket developed by Scharley (1994). The exercise takes 60 min and is administered on a computer. The participants have to deal with 40 items of written correspondence, representative for what a manager typically comes across with. The Zeezicht PC In-Basket is scored electronically using a standardized scoring scheme. Scores are calculated on the dimensions of delegation, problem recognition, prioritizing, planning of appointments, and logical order. Previous research has reported satisfactory internal consistency reliabilities, ranging from .71 for prioritizing to .80 for planning of appointments (Minne, 1999). Support has been found for the validity of the In-Basket exercise. Minne (1999) reported positive correlations between the In-Basket total score and measures of general intelligence (e.g., $r = .32$ with the MBS-Brain-H and $r = .22$ with the LSCP multi-cultural capacity Test). Because the correlations between the In-Basket dimensions were substantial (ranging from .52 to .74), a CFA was run to test whether the variance in the dimensions can be explained by one underlying factor. Because the fit of a single-factor model was satisfactory, $\chi^2(5, N = 195) = 50.85, p < .001, SRMR = .052, CFI = .92$, we decided to collapse the dimension scores into a single In-Basket total score.

Personality Questionnaire. The MBS-Quest is a personality test, developed by Meurs HRM, measuring work-related personality traits. The Quest consists of 189 items, reflecting 13 dimensions (assertiveness, deliberative behavior, enthusiasm, flexibility, leadership ambition, management behavior, manipulation, social behavior, achievement motivation, stress tolerance, social presentation, social

adequacy, and work locus of control). Previous research among 5118 applicants has shown satisfactory internal consistency reliabilities for most dimensions (the mean Cronbach's α was .80, ranging from .66 for management behavior to .88 for social adequacy and leadership ambition; Houtman *et al.*, 1999). Moderate to high correlations of the Quest dimensions with independent assessor ratings and a social effectiveness test support the validity of the MBS-Quest (Evers *et al.*, 2000).

Analyses

For the analyses concerning interrater agreement, a composite performance score was calculated (cf. Becker & Klimoski, 1989). Within each rater category, the scores on the 14 dimensions of the multi-source instrument were summed into one composite performance score for every ratee. In addition, interrater agreement was examined for each multi-source dimension separately.

To examine the internal construct validity, the dimensions of the multi-source instrument were classified into three broad categories of managerial performance: administrative skills, human skills, and technical skills, following the work of Mount, Scullen, and colleagues (Mount *et al.*, 1998; Scullen *et al.*, 2000; Scullen, Mount, & Judge, 2003). Six members of staff of the Work and Organizational Psychology department of the Free University independently assigned the 14 dimensions of the multi-source instrument to one of the categories, based on the dimension definitions and descriptions of the categories (cf. Scullen *et al.*, 2003). Dimensions were assigned to a category if at least four of the six raters agreed on the category assignment. As a result, four dimensions were dropped because of lack of agreement. The remaining dimensions (with the percentage of raters who agreed on the classification in brackets) were for the *Administrative skills* category: decisiveness (67%), organizing and planning (100%), and progress control (100%); for the *Human skills* category: adaptability (67%), flexibility (67%), effort (83%), persuasiveness (67%), and tact (100%); and for the *technical skills* category: independence (67%), and judgment (67%).

The resulting classification of the multi-source dimensions was used to examine the internal construct validity of the instrument with CFA. Twenty-six cases had self- or peer-ratings missing and were therefore excluded from the CFAs. Missing values for the remaining 169 cases were imputed using the expectation maximization technique (e.g., Roth, 1994). Covariances between the 10 assigned dimensions served as input into the LISREL 8.30 program. Maximum likelihood was chosen as the method of estimation. Four models (A, B, C, and D) were tested to account for the variance in the multi-source ratings. Model A is a unidimensional model, in which all dimensions loaded on a single factor for all raters. Model B is a three-factor trait-only model, hypothesizing that the variance in

the ratings is explained by the ratee's competencies or traits completely. Model C is a three-factor method-only model, hypothesizing that the variance in the ratings is explained by the rater's characteristics completely. Model D is a six-factor model, hypothesizing that both trait factors and method factors are needed to explain the variance in the multi-source ratings. Fit indices of the models were evaluated, using Hu and Bentler's (1999) guidelines.

External construct validity was examined by calculating and comparing the mean correlations for the predicted and non-predicted relationships. The analyses were run for every rater separately (i.e., self, supervisor, and peer), and for the total averaged rating across the three raters. The hypotheses for conceptual similarity or relatedness between the multi-source dimensions and the personality traits were developed as follows: the first two authors independently hypothesized relationships of the multi-source dimensions with the personality traits, using the definitions of the dimensions and the traits. A relationship that was predicted independently by both authors was used in the study. The agreement between the two authors was 90.1% (Cohen's $\kappa = .54$). The two authors discussed the relationships on which they did not agree initially to reach a consensus. Table 6 presents the resulting hypothesized relationships.

Incremental validity was examined using hierarchical regression analyses on the In-Basket dimensions, the In-Basket total score, the intelligence total score, and the personality traits. The supervisor-ratings were entered in the first step of the analysis and the self- and peer-ratings in the second step.

Results

Table 1 presents the descriptive statistics of the multi-source ratings. Using the composite performance scores, the supervisor-ratings were significantly lower than both the self-ratings, $t(171) = -5.79, p < .001$, and the peer-ratings, $t(190) = -5.43, p < .001$. The self- and peer-ratings did not differ significantly, $t(168) = -0.20, p = .84$.

Interrater Agreement

The level of agreement between the raters was calculated using both the composite performance scores and the scores on the separate dimensions. Using the composite performance scores, correlations between the raters were .28 for self-supervisor, .38 for self-peer, and .33 for supervisor-peer. All correlations were significant at the 1% level (see Table 2). As reflected by these correlations, the supervisor-peer agreement was slightly higher than the supervisor-self agreement (Hypothesis 1a supported), but lower than the peer-self agreement (Hypothesis 1b not supported). Table 2 also presents the interrater agreement

Table 2. Correlations between rating sources for composite performance score and for all dimensions separately

Multi-source dimension	Correlations			
	Self-supervisor	Self-peer	Supervisor-peer	Mean correlation
Administrative skills				
Organizing and planning	.37**	.33**	.25**	.32
Progress control	.12	.32**	.11	.18
Decisiveness	.36**	.33**	.35**	.35
Human skills				
Tact	.26**	.34**	.38**	.33
Effort	.31**	.33**	.16*	.27
Adaptability	.28**	.36**	.19*	.28
Flexibility	.20**	.16*	.07	.14
Persuasiveness	.27**	.31**	.32**	.30
Technical skills				
Judgment	.41**	.29**	.33**	.34
Independence	.36**	.14	.31**	.27
Other				
Internal customer orientation	.04	.18*	.25**	.16
Stress tolerance	.28**	.29**	.29**	.29
Initiative	.39**	.38**	.33**	.37
Oral communication	.10	.26**	.19**	.18
Composite performance score	.28**	.38**	.33**	.33

Note: Because of missing values *N* varied between 153 and 190.

* $p < .05$, ** $p < .01$.

Table 3. Confirmatory factor analysis fit statistics for the four models

Model	χ^2	<i>df</i>	<i>SRMR</i>	<i>RMSEA</i>	<i>NNFI</i>	<i>CFI</i>
Model A (1 factor)	1410.73**	405	.110	.122	.38	.43
Model B (3 trait factors)	1372.00**	402	.110	.120	.42	.46
Model C (3 method factors)	1080.19**	402	.096	.100	.58	.61
Model D (3 trait and 3 method factors)	591.63**	369	.087	.060	.78	.82

Note: $N = 169$. χ^2 , goodness-of-fit chi-square statistic; *df*, degrees of freedom for chi-square statistic; *RMSEA*, root mean square error of approximation; *SRMR*, standardized root mean square of residuals; *NNFI*, non-normed fit index; *CFI*, comparative fit index.

** $p < .01$.

for all dimensions separately. The mean correlations for the separate dimensions ranged from .14 for flexibility to .37 for initiative.

Internal Construct Validity

Table 3 presents the fit statistics of the CFAs of the five models tested. The first model (Model A) had a poor fit, indicating that the multi-source performance ratings do not reflect one single performance construct. The fit statistics for the second (Model B) and the third model (Model C), hypothesizing that the multi-source performance ratings reflect either three correlated trait factors (administrative skills, human skills,

and technical skills) or three correlated method factors (self, supervisor, and peer), were hardly better.

Model D was a six-factor model with three correlated trait factors (administrative skills, human skills, and technical skills) and three correlated method factors (self, supervisor, and peer). The trait and method factors were not allowed to be correlated with each other. As shown in Table 3, Model D fitted the data significantly better than the previous models, $\Delta\chi^2_{\text{Model B-Model D}} = 780.37$, $df = 33$, $p < .001$, and $\Delta\chi^2_{\text{Model C-Model D}} = 488.56$, $df = 33$, $p < .001$. Thus, in support of Hypothesis 2, it can be concluded that both method factors and trait factors are needed in order to reflect the factor structure of the performance ratings

properly. Model D demonstrated an acceptable fit, with the *RMSEA* close to .06 and the *SRMR* close to .08 (cf. Hu & Bentler, 1999). The *NNFI* and *CFI* were lower than the recommended values. Factor loadings of the method factors were all significant. Factor loadings of the trait factors were significant for all dimensions, except for persuasiveness, effort, and independence. Because the factor loadings were non-significant for all three rating sources, these findings suggest that the dimensions persuasiveness, effort, and independence may not reflect the performance category that they were assigned to.

Table 4. Descriptive statistics for the external criterion measures

External criterion dimension	<i>N</i>	Mean	SD
Intelligence test			
Total score	153	25.71	8.54
In-Basket exercise			
Total score	195	63.77	10.05
Personality questionnaire			
Assertiveness	194	5.86	2.95
Deliberative behavior	194	4.07	2.71
Enthusiasm	194	6.35	2.94
Flexibility	194	5.25	3.02
Leadership ambition	192	5.88	3.00
Management behavior	192	7.76	2.46
Manipulation	192	6.30	2.92
Social behavior	194	5.98	2.71
Achievement motivation	194	5.63	3.01
Stress tolerance	194	4.99	2.80
Social presentation	194	4.85	2.67
Social adequacy	194	5.44	2.79
Work locus of control	194	4.74	2.51

External Construct Validity

Construct validity was further examined using the scores on the In-Basket exercise, the intelligence test, and the personality questionnaire as external criteria. Table 4 presents the descriptive statistics of the external measures. The composite performance scores for all raters were hypothesized to correlate positively with the total score on the In-Basket exercise (Hypothesis 3a) and the intelligence test (Hypothesis 3b). As shown in the last lines of Table 5, support for these hypotheses was very limited. Only the correlation between the peer-rating and the In-Basket score approached significance (i.e., $r = .13$, $p < .10$).

Multi-source dimensions were expected to correlate with conceptually similar or related external measures. Table 5 presents the correlations for the expected relationships with regard to the In-Basket exercise and the intelligence test. Concerning the In-Basket, significant correlations were expected for the multi-source dimensions organizing and planning and judgment (Hypothesis 4a). Support for Hypothesis 4a was limited, because only one correlation was found to be significant (i.e., $r_{\text{Peer Organizing and planning-In-Basket: Total score}} = .19$, $p < .05$). Concerning the intelligence test, positive correlations were expected for the multi-source dimensions adaptability and judgment (Hypothesis 4b). Limited support was found for Hypothesis 4b, that is, the Total rating on judgment correlated marginally significant with general intelligence (i.e., $r = .15$, $p < .10$). Correlations for adaptability were not significant.

Table 6 presents the correlations for the expected relationships with regard to the personality test. In addition, per dimension category the mean correlations for the conceptually similar dimensions and the conceptually dissimilar dimensions were calculated. In support of Hypothesis 5a, a substantial number of predicted correlations were

Table 5. Correlations of hypothesized relationships of the dimensions of the multi-source instrument with the In-Basket exercise and the intelligence test

Multi-source dimension	Hypothesized similar measures	Correlation			
		Self	Supervisor	Peer	Total
Administrative skills					
Organizing and planning	In-Basket: total score	.00	.06	.19*	.12
Human skills:					
Adaptability	Brain: total score	.08	-.01	.06	.06
Technical skills					
Judgment	In-Basket: total score	-.03	.07	.05	.04
	Brain: total score	.11	.03	.06	.15†
Composite performance score	In-Basket: total score	.03	.09	.13†	.11
	Brain: total score	.05	-.05	-.03	.01

Note: Because of incidental missing values *N* varies between 159 and 195 for correlations with the In-Basket total score, and between 122 and 153 for correlations with the Brain total score.
 † $p < .10$, * $p < .05$.

Table 6. Correlations of hypothesized relationships between the dimensions of the multi-source instrument and the personality test

Multi-source dimension	Hypothesized similar personality traits	Correlation similar dimensions			
		Self	Supervisor	Peer	Total
Administrative skills					
Organizing and planning	Deliberative behavior	.16*	.07	.14†	.19*
Progress control	Leadership ambition	.15†	.20**	.27**	.29**
Decisiveness	Assertiveness	.35**	.20**	.23**	.34**
	Deliberative behavior (-)	.02	-.08	.06	.06
	Mean <i>r</i> similar dimensions =	.16	.14	.15	.19
	Mean <i>r</i> dissimilar dimensions =	.11	.10	.08	.14
Human skills					
Tact	Assertiveness (-)	.03	-.03	.02	.04
	Social behavior	.05	-.08	-.01	.01
Effort	Achievement motivation	.33**	.15*	.17*	.30**
	Enthusiasm	.16*	.15*	.17*	.23**
Adaptability	Flexibility	.24**	.07	.11	.18*
Flexibility	Flexibility	.18*	.22**	.20**	.29**
Persuasiveness	Assertiveness	.27**	.14†	.17*	.24**
	Social adequacy	.24**	.09	.08	.16*
	Stress tolerance	.15*	.02	.19*	.18*
	Mean <i>r</i> similar dimensions =	.18	.08	.12	.17
	Mean <i>r</i> dissimilar dimensions =	.07	.05	.05	.09
Technical skills					
Judgment	Deliberative behavior	.15*	.03	.12	.15†
Independence	Assertiveness	.27**	.16*	.25**	.31**
	Social presentation (-)	-.05	-.10	-.04	-.05
	Mean <i>r</i> similar dimensions =	.16	.10	.14	.17
	Mean <i>r</i> dissimilar dimensions =	.05	.05	.04	.07
Other					
Internal customer orientation	Social behavior	-.09	.08	-.09	-.04
Stress tolerance	Stress tolerance	.38**	.19**	.35**	.47**
Oral communication	Social adequacy	.25**	.04	.00	.11
	Mean <i>r</i> similar dimensions =	.18	.10	.09	.18
	Mean <i>r</i> dissimilar dimensions =	.07	.08	.07	.12
Overall mean <i>r</i> similar dimensions		.17	.10	.12	.18
Overall mean <i>r</i> dissimilar dimensions		.08	.07	.06	.10

Note: Hypothesized negative relationships are indicated with a minus sign between brackets. For multi-source dimensions with a hypothesized negative relationship, the sign of the correlation for the hypothesized negative relationship was reversed before the mean *r* was calculated.

† $p < .10$, * $p < .05$, ** $p < .01$.

significant or approached significance. Moreover, the mean correlations for the similar dimensions were, in all cases, higher than the mean correlations for the dissimilar dimensions. Overall, as shown in the last line of Table 6, the mean correlations on similar dimensions exceeded the mean correlations on dissimilar dimensions, supporting Hypothesis 5b. Some differences were found between the multi-source dimensions. For example, most of the predicted relationships were found to be significant for the administrative skill dimensions, for

effort, flexibility, persuasiveness, and stress tolerance. In contrast, for the dimensions tact, adaptability, judgment, internal customer orientation, and oral communication, hardly any of the predicted relationships was supported. Furthermore, self-ratings were more strongly correlated with the personality traits than supervisor- and peer-ratings. This finding is not surprising, as the self-ratings and the personality questionnaire are both completed by the ratees themselves. Although the differences were small, the peer-ratings generally correlated

Table 7. Hierarchical regression of the In-Basket total score and the intelligence test total score on the multi-source (MS) ratings

Predictor	In-Basket: total score & MS organizing and planning and MS judgment		In-Basket: total score & MS composite performance score		Brain: total score & MS adaptability and MS judgment		Brain: total score & MS composite performance score	
	Step 1	Step 2	Step 1	Step 2	Step 1	Step 2	Step 1	Step 2
Step 1								
Supervisor-rating (β)	.08	.05	.07	.03	-.04	-.07	-.03	-.05
	.04	.08			.02	-.03		
Step 2								
Self-rating (β)		-.08		-.03		.08		.07
		-.07				.10		
Peer-rating (β)		.22*		.14		.04		-.01
		-.06				.01		
Multiple R	.10	.23	.07	.15	.04	.15	.03	.07
ΔR^2		.04		.02		.02		.00
Adjusted R^2	.00	.01	.00	.00	-.02	-.03	.00	.01

Note: Due to missing values N varies between 122 and 169. The beta-coefficients reflect the standardized regression weights for the multi-source dimensions that were hypothesized to be conceptually similar or related to the external measures. The order of presentation of the beta-weights corresponds with the order in Table 5 (e.g., the first coefficient in the cell "Supervisor-rating" and "In-Basket: total score & MS organizing and planning and MS judgment – Step 1" reflects the beta-weight of the supervisor-rating on organizing and planning and the second coefficient reflects the beta-weight of the supervisor-rating on judgment).

* $p < .05$.

slightly stronger with the personality traits than the supervisor-ratings.

Incremental Validity

Supervisor-ratings were hypothesized to exhibit higher criterion-related validity than self and peer-ratings (Hypotheses 6a and 6b). As presented in Tables 5 and 6, no support was found for these hypotheses. Correlations of the supervisor-ratings were mostly lower or about equal to the correlations of other raters.

A series of hierarchical regression analyses were performed to test Hypothesis 7, stating that self-and peer-ratings would show incremental validity over supervisor-ratings. As presented in Table 7, the supervisor-ratings on organizing and planning and judgment failed to show significant β -weights for the predicted In-Basket dimensions. Also, the averaged supervisor-rating (composite performance score) did not relate significantly to the In-Basket total score and the total score on the intelligence test. Thus, concerning the In-Basket exercise and the intelligence test, no validity evidence was found for the supervisor-ratings. Furthermore, very little support was found for the incremental validity of the self-ratings and the peer-ratings with regard to the In-Basket exercise and the

intelligence test. Only one β -weight was significant in the predicted direction (i.e., peer-rating on organizing and planning with In-Basket: total score).

Table 8 presents the regression analyses using the personality traits as external criteria. The supervisor-ratings significantly predicted personality scores for only two personality traits (i.e., flexibility and stress tolerance). Adding the self-and peer-ratings to the regression equations resulted in a significant increase in explained variance for seven of the 10 personality traits for which relationships were predicted. These analyses thus show the incremental validity of self-ratings and peer-ratings over supervisor-ratings when personality is considered as the external criterion.

Discussion

In this study, we evaluated self-, supervisor-, and peer-ratings, collected with a 14-dimension, behavior-based multi-source feedback instrument. The main purpose was to investigate the external construct validity of multi-source ratings within a nomological network of cognitive and personality measures. However, we also examined the interrater agreement and the internal construct validity of the ratings.

Table 8. Hierarchical regression of the personality traits (PT) on the multi-source (MS) ratings

Predictor	PT assertiveness		PT deliberative behavior and MS		PT flexibility and MS adaptability and flexibility		PT leadership ambition and MS progress control		PT social behavior and MS tact and internal customer orientation		PT achievement motivation and MS effort		PT stress tolerance and stress tolerance		PT social adequacy and MS persuasiveness and oral communication											
	Step 1	Step 2	Step 1	Step 2	Step 1	Step 2	Step 1	Step 2	Step 1	Step 2	Step 1	Step 2	Step 1	Step 2	Step 1	Step 2										
Supervisor-rating (β)	.17†	.06	.07	.00	.11	.05	-.02	-.09	.12	.09	-.12	-.16†	.12	.01	-.06	-.18*	-.06	-.26**	.12	-.06	-.05	.08	.05	-.02	-.02	
	-.01	.05	-.03	-.05	.21*	.19*	.21*	.19*	.11	.13	.11	.13	.11	.13	.26**	.12	.26**	.12	.12	.01	.01	.01	.01	.01	.01	.01
	.00	-.07	.04	-.05																						
	.02	-.06																								
Step 2																										
Self-rating (β)	.20*	.08	.10	.08	.22*	.07	.22*	.07	.06	.06	.09	.09	.28**	.28**	.09	.30**	.09	.30**	.09	.28**	.09	.30**	.09	.30**	.09	.30**
	-.03	.14	-.11	.18†																						
	.14	.09	.13	.13																						
	.01	.01	.01	.01																						
	.01	.01	.01	.01																						
	.14	.14	.14	.14																						
Peer-rating (β)	.08	.08	.08	.08	.19*	.19*	-.09	.14†	.27**	.27**	.07	.07	.12	.12	.14†	.21**	.14†	.21**	.12	.12	.02	.02	.00	.00	.00	.00
	.01	.01	.01	.01																						
	.01	.01	.01	.01																						
	.14	.14	.14	.14																						
Multiple R	.18	.42**	.08	.28	.11	.25*	.20*	.34**	.12	.32**	.14	.21	.12	.34**	.24**	.51**	.24**	.51**	.12	.34**	.06	.07	.08	.08	.28*	
ΔR^2	.15**	.15**	.07†	.07†	.05*	.05*	.08*	.08*	.09**	.09**	.02	.02	.10**	.10**	.20**	.20**	.20**	.20**	.10**	.10**	.00	.00	.00	.07*	.07*	
Adjusted R ²	.01	.11**	-.01	.02	.01	.04*	.03*	.08**	.01	.08**	.01	.01	.01	.10**	.05**	.23**	.05**	.23**	.10**	.10**	.00	-.01	-.01	-.01	.04*	

Note: Because of missing values *N* varies between 148 and 163. The β -coefficients reflect the standardized regression weights for the multi-source dimensions that were hypothesized to be conceptually similar or related to the personality traits as presented in Table 6. The order of presentation of the β -weights corresponds with the order in Table 6 (e.g., the first coefficient in the cell "Supervisor-rating" and "PT social behavior – Step 1" reflects the β -weight of the supervisor-rating on tact and the second coefficient reflects the beta-weight of the supervisor-rating on Internal customer orientation).

† $p < .10$, * $p < .05$, ** $p < .01$.

Interrater Agreement

The results demonstrated that supervisors rated more severely than peers and self. The finding that self-ratings are somewhat higher compared with supervisor-ratings is consistent with previous research on 360° feedback systems (e.g., Atwater & Yammarino, 1992; Harris & Schaubroeck, 1988; Nilsen & Campbell, 1993). Furthermore, we found moderate levels of agreement between the self-, peer-, and supervisor-ratings. Specifically, self-supervisor, self-peer, and peer-supervisor correlations using the averaged score across the 14 dimensions were .28, .38, and .33, respectively. Correlations at the dimensions level were mostly lower, with the mean correlations across raters varying between .14 and .37. The magnitude of these correlations is in line with previous research on multi-source ratings. In their meta-analysis, Conway and Huffcutt (1997) reported self-supervisor, self-peer, and peer-supervisor mean correlations of .22, .19, and .34, respectively. In contrast to these meta-analytical findings, our results demonstrated lower peer-supervisor agreement than peer-self agreement. Because of the explicit developmental purpose of the multi-source feedback ratings in the current study, self-ratings might have been less biased than what is generally found in the literature.

The interrater agreement in multi-source feedback studies is much lower than the agreement between assessors reported in the AC literature. The interrater agreement in AC-research typically varies between .75 and .90 (Jansen, 1993; Kolk, Born, & Akkerman, 1998). Several structural differences between AC-ratings and multi-source performance ratings may explain the difference in interrater agreement between the two systems. In ACs trained raters, who are not familiar with the ratee, assess specific behavior in a controlled setting, and it is well specified what behavior is effective and what is not (Atkins & Wood, 2002; Jansen & Vloeberghs, 1999). In multi-source ratings, however, untrained raters, who differ in the level of interaction and acquaintance with the ratee, assess general behavior in an uncontrolled setting. Thus, political use of appraisals, differences in viewpoints, and disagreement about what behavior is effective and what is not affect the ratings and are likely to suppress interrater agreement. This issue is supported by Kenny, Albright, Malloy, and Kashy (1994), who reviewed the personality literature on consensus among judges in rating large five personality traits of a common target. Among judges who were acquainted with the targets, the mean consensus correlations varied between .26 and .29. Those values are comparable with the levels of interrater agreement in the current study and other 360° feedback studies.

Internal Construct Validity

Internal construct validity was examined using CFA. The results demonstrated that both method and content factors

were needed in order to explain the variance in the multi-source performance ratings. That is, the factor model with three method factors (one for every rater) and three content factors (administrative skills, human skills, and technical skills) outperformed factor models with method or content factors only. These findings concur with previous research in this area. Mount *et al.* (1998), for example, also concluded that multi-source performance ratings were best explained by a combination of content factors and method factors (one for every rater). Furthermore, our results showed that a method-only factor model fitted the data better than a content-only factor model. These findings, suggesting that method factors explained more variance in the multi-source performance ratings than content factors, are also in accordance with previous research (Greguras & Robie, 1998; Mount *et al.*, 1998; Scullen *et al.*, 2000). Thus, it can be concluded that multi-source performance ratings reflect rater characteristics more than the performance of the ratees. These findings parallel the AC literature, in which it is also found that method variance exceeds trait variance in AC scores (Lance, Lambert, Gewin, Lievens, & Conway, 2004). In this field of research, it has been shown that decreasing the number of dimensions improves the construct validity (Kolk, Born, & Van der Flier, 2004; Lievens & Conway, 2001). This might also be a promising avenue for future attempts to improve the construct validity of 360° appraisals.

Although method factors explained a large part of the variance in our data, content factors (i.e., administrative skills, human skills, and technical skills) improved the model significantly. Thus, in line with the work by Mount, Scullen, and colleagues (Mount *et al.*, 1998; Scullen *et al.*, 2000), support was found for the three-category model of managerial performance as proposed by Katz (1974) and Mann (1975). However, the dimensions effort, persuasiveness, and independence did not reflect the performance category that they were assigned to. When assigning the multi-source dimensions to the three performance categories, the interrater agreement on these dimensions was also not perfect (i.e., 83%, 67%, and 67%, respectively). These results demonstrate that the three-category model may not be an exhaustive classification of managerial performance. Indeed, Scullen *et al.* (2003) found support for a fourth category, that is, citizenship behavior.

External Construct Validity

Little evidence was found for the external construct validity of the multi-source instrument used in the present study. In contrast to our hypotheses, the averaged ratings across all 14 dimensions were not or only very weakly correlated with the overall In-Basket score and general intelligence. These results are in accordance with Atkins and Wood (2002), who also reported mostly non-significant correlations between AC-exercise scores and averaged self-, peer-, and supervisor-ratings. As overall AC ratings and general

intelligence are usually moderately to strongly related to general job performance (Arthur *et al.*, 2003; Schmidt & Hunter, 1998), these findings may suggest that multi-source ratings are not adequate measures of job performance. It should be noted, however, that the current study included only one peer and one supervisor in the ratings. Because Atkins and Wood's (2002) results indicate that aggregated ratings across a larger number of raters may be more valid, future research should further examine the relationship of AC scores and general intelligence with multi-source ratings using more raters per rater category.

Also at the dimensions level, the support found for the external construct validity was rather weak. In contrast to our hypotheses, multi-source dimensions like organizing and planning, adaptability, and judgment largely failed to show significant associations with the In-Basket score and general intelligence. Only the peer-rating on organizing and planning was associated with the In-Basket score. Using the personality questionnaire as external criterion, more validity evidence was found. Most multi-source dimensions were significantly correlated with conceptually similar personality traits, with effect sizes mostly being small to medium. Moreover, the mean correlations with conceptually similar traits exceeded the mean correlations with conceptually dissimilar traits for all raters.

Comparing the external validation measures, substantial differences occurred in the support found for our hypotheses regarding the intelligence test and the In-Basket exercise on the one hand and the personality questionnaire on the other. These differences may be explained by common method variance and the conceptual similarity of the scales measured. Regarding common method variance, the multi-source instrument shares more method variance with the personality questionnaire than with the intelligence test and the In-Basket exercise, because the multi-source instrument and the personality questionnaire are both typical performance measures using written questionnaires, whereas the intelligence test and the In-Basket exercise are measures of maximum performance. This argument may be especially true for the *self*-ratings on the multi-source instrument. Indeed, the self-ratings demonstrated higher correlations with the personality traits than the supervisor- and peer-ratings. Regarding the conceptual similarity of the scales, it should be noted that the personality questionnaire measured concepts that were more similar to the multi-source dimensions than the intelligence test and the In-Basket exercise. The highest correlations were found between the exactly corresponding dimensions/traits flexibility and stress tolerance. Future research should therefore investigate the construct validity of multi-source ratings using external measures that assess exactly corresponding dimensions.

Previous research demonstrated that supervisor-ratings are more reliable than ratings of other sources (Conway & Huffcutt, 1997; Greguras & Robie, 1998; Viswesvaran *et al.*, 1996). However, the results of our study showed that

this does not imply that supervisor-ratings are more valid than ratings of other sources. In general, supervisor-ratings were equally or less strongly correlated with the external measures than peer-ratings. These results correspond with Lance *et al.* (1992), who found that supervisor-ratings were not more strongly correlated to a work sample test than peer-ratings. Furthermore, peer-ratings (and self-ratings) demonstrated incremental validity over supervisor-ratings regarding several personality traits. This finding may be interpreted as an argument for the use of 360° feedback instead of relying on supervisor-ratings solely. Atkins and Wood (2002) came to a similar conclusion based on their finding that the total rating aggregated across supervisors, peers, and subordinates was a more valid predictor of overall AC scores than individual ratings.

Limitations

In general, weak support was found for the external construct validity of the multi-source instrument. Although the lack of associations between the multi-source ratings and the external measures may be interpreted as lack of validity of the multi-source instrument, it may also indicate lack of reliability and validity of the external measures. However, the external measures all demonstrated acceptable psychometric properties, as judged by the Dutch Test Committee (Evers *et al.*, 2000). Nonetheless, future research should examine the construct validity of 360° feedback systems, using a broader variety of external measures that have been proven to be reliable and valid more extensively.

Another limitation of the present study relates to the number of raters used. Because only one rater was available per rater category for most employees, we were not able to distinguish between the validity of individual raters and the validity of rater categories. Moreover, no subordinate ratings were available. These issues should be addressed in future research.

Although carefully developed and tested, the multi-source performance feedback instrument that was evaluated in the present study showed some weaknesses. For example, each dimension was only assessed by one behavioral item. Therefore, we were not able to calculate the reliability of the dimension scores. Although there is some evidence that one-item measures may be as valid as multiple-item measures (e.g., Wanous, Reichers, & Hudy, 1997), future research should investigate the generalizability of our results to other 360° feedback systems that assess each dimension with multiple items.

Conclusion

The results of the current study and previous research on the reliability and validity of 360° ratings, raise the question regarding whether 360° feedback ratings should be used for administrative purposes. As discussed in the

Introduction, performance appraisal systems for administrative purposes demand objectivity, reliability, and the possibility to consolidate the appraisal information into one global judgment. Three hundred and sixty-degree feedback ratings do not possess objectivity. That is, raters in 360° feedback systems are selected on having frequent interactions with the ratee (cf. Jansen & Vloeberghs, 1999). This results in a personalized relationship, likely leading to subjectivity in the ratings. Furthermore, previous research (and the current study) demonstrated that the interrater agreement in 360° feedback ratings is typically low to moderate (Conway & Huffcutt, 1997; Harris & Schaubroeck, 1988). Consequently, summing up the ratings of different rater-categories into one global judgment is questionable. In addition to objectivity and reliability, performance ratings that are used for administrative purposes should demonstrate strong validity. The current study found little evidence for the construct validity of 360° feedback ratings using cognitive and personality measures as criteria. These findings imply that organizations should be careful in adopting 360° performance appraisals for other than developmental purposes. Thorough research and evaluation of the reliability and validity should precede the implementation of 360° performance appraisals to base administrative decisions on.

Acknowledgements

We would like to thank the employees of the public organization, Liesbeth van Leeuwen (Meurs HRM), and Jeroen Meliëzer (Construct Bedrijfspsychologie) for their cooperation and the two anonymous reviewers for their valuable comments.

References

- Antonioni, D. (1996) Designing an effective 360-degree appraisal feedback process. *Organizational Dynamics*, 25(2), 24–38.
- Arthur, W., Day, E.A., McNelly, T.L. and Edens, P.S. (2003) A meta-analysis of the criterion-related validity of assessment center dimensions. *Personnel Psychology*, 56, 125–154.
- Atkins, P.W.B. and Wood, R.E. (2002) Self- versus others' ratings as predictors of assessment center ratings: Validation evidence for 360-degree feedback programs. *Personnel Psychology*, 55, 871–904.
- Atwater, L.E., Waldman, D.A. and Brett, J.F. (2002) Understanding and optimizing multisource feedback. *Human Resource Management*, 41, 193–208.
- Atwater, L.E. and Yammarino, F.J. (1992) Does self-other agreement on leadership perceptions moderate the validity of leadership and performance predictions? *Personnel Psychology*, 45, 141–164.
- Becker, T.E. and Klimoski, R.J. (1989) A field study of the relationship between the organizational feedback environment and performance. *Personnel Psychology*, 42, 343–358.
- Bettenhausen, K.L. and Fedor, D.B. (1997) Peer and upward appraisals: A comparison of their benefits and problems. *Group & Organization Management*, 22, 236–263.
- Borman, W.C. (1997) 360° ratings: An analysis of assumptions and a research agenda for evaluating their validity. *Human Resource Management Review*, 7, 299–315.
- Bozeman, D.P. (1997) Interrater agreement in multi-source performance appraisal: A commentary. *Journal of Organizational Behavior*, 18, 313–316.
- Cascio, W.F. (1991) *Applied psychology in personnel management* (4th Edn.). Englewood Cliffs, NJ: Prentice-Hall.
- Church, A.H. and Bracken, D.W. (1997) Advancing the state of the art of 360-degree feedback: Guest editors' comments on the research and practice of multirater assessment methods. *Group & Organization Management*, 22, 149–191.
- Conway, J.M. (1996) Analysis and design of multitrait-multirater performance appraisal studies. *Journal of Management*, 22, 139–162.
- Conway, J.M. and Huffcutt, A.I. (1997) Psychometric properties of multisource performance ratings: A meta-analysis of subordinate, supervisor, peer, and self-ratings. *Human Performance*, 10, 331–360.
- De Kok, P. (1996) *PC In-Basket onderzoeksverslag [PC In-Basket research report]*. Weesp, the Netherlands: Construct.
- DeNisi, A.S. and Kluger, A.N. (2000) Feedback effectiveness: Can 360-degree appraisals be improved? *The Academy of Management Executive*, 14, 129–139.
- Drenth, P.J.D. (1998) Personnel appraisal. In P.J.D. Drenth, H. Thierry and C.J. De Wolff (Eds.), *Handbook of work and organizational psychology Vol. 3: Personnel psychology* (2nd Edn. pp. 59–87). Hove, UK: Psychology Press.
- Evers, A., Van Vliet-Mulder, J.C. and Groot, C.J. (2000) *Documentatie van tests en testresearch in Nederland [Documentation of tests and test research in The Netherlands]*. Assen, the Netherlands: Van Gorcum.
- Fahr, J.L., Cannella, A.A. and Bedeian, A.G. (1991) Peer ratings: The impact of purpose on rating quality and user acceptance. *Group & Organization Studies*, 16, 367–385.
- Fletcher, C. (1998) Feature 360-degree feedback: Circular argument. *People Management*, 4(19), 46–49.
- Fletcher, C., Baldry, C. and Cunningham-Snell, N. (1998) The psychometric properties of 360 degree feedback: An empirical study and a cautionary tale. *International Journal of Selection and Assessment*, 6, 19–34.
- Greguras, G.J. and Robie, C. (1998) A new look at within-source interrater reliability of 360-degree feedback ratings. *Journal of Applied Psychology*, 83, 960–968.
- Harris, M.M. and Schaubroeck, J. (1988) A meta-analysis of self-supervisor, self-peer, and peer-supervisor ratings. *Personnel Psychology*, 41, 43–62.
- Houtman, S. (1996) *Onderzoeksrapport Quest en Brain [Research report Quest and Brain]*. Woerden, the Netherlands: Meurs Personeelsadvies.
- Houtman, S., Van Leeuwen, L. and Vinke, I. (1999) *Aanvullend onderzoek MBS naar aanleiding van de Cotanbeoordeling 1999 [Additional research MBS in response to the Dutch test committee's evaluation]*. Woerden, The Netherlands: Meurs Personeelsadvies.
- Hu, L. and Bentler, P.M. (1999) Cutoff criteria for fit indexes in covariance structure analysis: Conventional criteria versus new alternatives. *Structural Equation Modeling*, 6, 1–55.
- Jansen, P.G.W. (1993) De werking van het assessment center [The operation of the assessment center]. *Gedrag & Organisatie*, 6, 10–24.
- Jansen, P.G.W. and Vloeberghs, D. (1999) Multi-rater feedback methods: Personal and organizational implications. *Journal of Managerial Psychology*, 14, 455–476.
- Jellema, F. (2000) Toepassing van 360-graden feedback in Nederlandse organisaties [Use of 360-degree feedback in Dutch organizations]. *Opleiding & Ontwikkeling*, 13(7–8), 21–25.

- Kane, J.S. and Lawler, E.E. (1979) Performance appraisal effectiveness: Its assessment and determinants. In B.M. Staw (Ed.), *Research in organizational behavior*. Greenwich, UK: JAI Press.
- Katz, R.L. (1974) Skills of an effective administrator. *Harvard Business Review*, 52, 90–102.
- Kenny, D.A., Albright, L., Malloy, T.E. and Kashy, D.A. (1994) Consensus in interpersonal perception: Acquaintance and the big five. *Psychological Bulletin*, 116, 245–258.
- Kolk, N.J., Born, M.Ph. and Akkerman, T.E. (1998) De analyse/presentatie opdracht: Een meta-analyse van de psychometrische kwaliteiten van een veelzijdig assessment center onderdeel [The analysis/presentation exercise: A meta-analysis of the psychometric qualities of a many-sided assessment center assignment]. *Gedrag & Organisatie*, 11, 148–160.
- Kolk, N.J., Born, M.Ph. and Van der Flier, H. (2004) A triadic approach to the construct validity of the assessment center: The effect of categorizing dimensions into a Feeling, Thinking, and Power taxonomy. *European Journal of Psychological Assessment*, 20, 149–156.
- Lance, C.E., Lambert, T.A., Gewin, A.G., Lievens, F. and Conway, J.M. (2004) Revised estimates of dimension and exercise variance components in assessment center postexercise dimension ratings. *Journal of Applied Psychology*, 89, 377–385.
- Lance, C.E., Teachout, M.S. and Donnelly, T.M. (1992) Specification of the criterion construct space: An application of hierarchical confirmatory factor analysis. *Journal of Applied Psychology*, 77, 437–452.
- Lepsinger, R. and Lucia, A.D. (1997) 360° feedback and performance appraisal. *Training*, 34(9), 62–70.
- Lievens, F. and Conway, J.M. (2001) Dimension and exercise variance in assessment center scores: A large-scale evaluation of multitrait-multimethod studies. *Journal of Applied Psychology*, 86, 1202–1222.
- London, M. and Smither, J.W. (1995) Can multi-source feedback change perceptions of goal accomplishment, self-evaluations, and performance-related outcomes? Theory-based applications and directions for research. *Personnel Psychology*, 48, 803–840.
- Long, P. (1986) *Performance appraisal revisited*. London: Institute of Personnel Management.
- Mann, F.C. (1975) Toward an understanding of the leadership role in formal organization. In R. Dubin, G.C. Homans, F.C. Mann and D.C. Miller (Eds.), *Leadership and productivity: Some facts of industrial life* (pp. 68–103). San Francisco, CA: Chandler.
- McEvoy, G.M. and Buller, P.F. (1987) User acceptance of peer appraisals in an industrial setting. *Personnel Psychology*, 40, 785–797.
- Minne, M.R. (1999). *De PC In Basket 'Zeezicht': Een onderzoek naar betrouwbaarheid en validiteit [The In Basket test 'Zeezicht': A study of the reliability and the validity]* Unpublished master's thesis, Free University, Amsterdam, the Netherlands.
- Mount, M.K., Judge, T.A., Scullen, S.E., Sytsma, M.R. and Hezlett, S.A. (1998) Trait, rater and level effects in 360-degree performance ratings. *Personnel Psychology*, 51, 557–576.
- Murphy, K.R. and Cleveland, J.N. (1991) *Performance appraisal: An organizational perspective*. Boston: Allyn and Bacon.
- Nilsen, D. and Campbell, D.P. (1993) Self-observer rating discrepancies: Once an overrater, always an overrater? *Human Resource Management*, 32, 265–281.
- Roth, P.L. (1994) Missing data: A conceptual review for applied psychologists. *Personnel Psychology*, 47, 537–560.
- Scharley, T. (1994) *PC In-Basket for Windows: Investigation at an electrical company*. Konstanz, Germany: Scharley & Partner Management Development Consultants.
- Schmidt, F.L. and Hunter, J.E. (1998) The validity and utility of selection methods in personnel psychology: Practical and theoretical implications of 85 years of research findings. *Psychological Bulletin*, 124, 262–274.
- Scullen, S.E., Mount, M.K. and Goff, M. (2000) Understanding the latent structure of job performance ratings. *Journal of Applied Psychology*, 85, 956–970.
- Scullen, S.E., Mount, M.K. and Judge, T.A. (2003) Evidence of the construct validity of developmental ratings of managerial performance. *Journal of Applied Psychology*, 88, 50–66.
- Sternberg, R.J. (2000) The concept of intelligence. In R.J. Sternberg (Ed.), *Handbook of intelligence*. Cambridge, UK: Cambridge University Press.
- Thornton III, G.C. and Byham, W.C. (1982) *Assessment centers and managerial performance*. New York: Academic Press.
- Toegel, G. and Conger, J.A. (2003) 360-degree assessment: Time for reinvention. *Academy of Management Learning and Education*, 2, 297–311.
- Vance, R.J., Coovert, M.D., MacCallum, R.C. and Hedge, J.W. (1989) Construct models of taks performance. *Journal of Applied Psychology*, 74, 447–455.
- Viswesvaran, C., Ones, D.S. and Schmidt, F.L. (1996) Comparative analysis of the reliability of job performance ratings. *Journal of Applied Psychology*, 81, 557–574.
- Waldman, D.A., Atwater, L.E. and Antonioni, D. (1998) Has 360 degree feedback gone amok? *The Academy of Management Executive*, 12, 86–94.
- Wanous, J.P., Reichers, A.E. and Hudy, M.J. (1997) Overall job satisfaction: How good are single-items measures? *Journal of Applied Psychology*, 82, 247–252.
- Zedeck, S. and Cascio, W.F. (1982) Performance appraisal decisions as a function of rater training and purpose of the appraisal. *Journal of Applied Psychology*, 67, 752–758.