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Harness the Power and Utility of a 360-Degree Feedback

By Francie Dalton

Implementing a 360-degree review process will either be a destructive and devastating experience, or a developmental epiphany for those involved, depending entirely on how the process is structured. This article focuses on the seven reasons why 360s fail, and provides best-practice solutions for each.

Let's begin with a definition of the instrument. A 360-degree feedback mechanism is a questionnaire that captures perceptions of key internal audiences (superiors, peers, subordinates) regarding the quality of an individual's leadership and management characteristics, and compares those perceptions to the individual's self view. Inaugural 360s should include senior executives, and should subsequently be limited to those who supervise others. Because a 360 is not intended to assess one's job performance, it is not a substitute for the performance review process.

Before undertaking a 360-degree feedback initiative, assess your level of commitment to using the best practices described below in avoiding the following:

1. Failure to Sub Out the Process. Anonymity is absolutely crucial to a successful 360 process. Hosting 360s on internal computers simply cannot provide the necessary assurances. True or false, the perception of internally hosted 360s is that selected individuals within the organization know everyone's scores, and know who said what about whom. This erodes credibility at the highest levels and generates distrust.

Best Practice. Avoid these unnecessary distractions by choosing a qualified consultant to host your 360. Ensure your consultant can provide on-line instrumentation, has a strong background in facilitating senior executive work sessions, and a successful track record of executive coaching.

2. Failure to Customize the Questionnaire. Successful executives rightly resent being measured against generic criteria that don't reflect organizational uniqueness. The questions that will accurately assess, for example, one's ability to lead others in a hospital setting are quite different from the questions that will accurately assess one's ability to lead others in a manufacturing environment.

Best Practice. Your consultant should collaborate with your senior executives to establish and define the dimensions of excellence for leadership and management in your firm. Based on this input, the consultant designs a well-structured questionnaire that is customized exclusively to your organizational culture. Because those who'll be evaluated by the mechanism have input into its construction, greater receptivity to the process is secured, greater validity is imputed to the results, and commitment to improve is easier to sustain.

3. Failure to Properly Introduce the Process. It's not enough to explain the 360-process only to those who'll be 360'd. The rest of the organization, from which respondents will be selected, should be briefed as well.

Best Practice. The CEO should conduct all-staff meetings to explain why the process is being inaugurated and how anonymity will be protected. The CEO should also inspire staff esteem for the courage and emotional maturity requisite of those who'll be going through the process, asking that staff provide constructive but honest feedback.

4. Failure to Allow the "First Time" to be Self-Directed. Some organizations require that the results of one's first 360 be shared with one's supervisor. Attendant to this decision are implications for one's overall performance review rating and compensation. This potentially punitive use of one's initial 360 is anything but constructive. It's intimidating and generates fear around the whole process.

Best Practice. The first time one is 360'd, the results should be confidential, known only to the consultant and the individual, who meet monthly to develop and review action plans to remediate undesirable scores.

Accountability for improvement is achieved when the second 360 is administered, and those results *are* shared with the supervisor. Because the perceptions of others take time to change, the second 360 should not be done until 18 to 24 months after the first. What *can* be shared with the supervisor regarding the first set of results is a Composite Report, which combines the scores of all those 360'd without revealing individual identities. Composite reports can reveal shared characteristics of teams or departments, which can form the basis for the targeted improvements of groups. Additionally, those 360'd can compare their individual results to the composite results to see how their scores affect the group.

5. Failure to Provide Follow-Up Coaching. Undergoing a 360-degree review is a fairly intense process. Indeed, the scope and depth of scrutiny imposed by a 360 is available through no other workplace experience. Delivering the results without providing any supportive follow-up is irresponsible and potentially hurtful.

Best Practice. After delivering an individual's 360 results, the consulting coach should immediately secure a date for a second meeting. Assignments between meetings with the coach are typical, with the first assignment being the prioritization of undesirable scores.

Future coaching sessions focus on facilitating the development of and monitoring the progress of meaningful action plans targeted at improving prioritized scores.

6. Failure to Control Respondent Selection and Anonymity. Because respondent selection can significantly skew results, choosing respondent pools shouldn't be left to either the organization or the individual being 360'd. Additionally, respondents will be understandably concerned that their inputs not be identifiable.

Best Practice. Three respondents in each rating population is the minimum number required to protect anonymity. Those to be 360'd (perhaps in collaboration with relevant internal colleagues) should identify at least five people in each respondent population, (5 superiors, 5 peers and 5 subordinates) from which the consultant then randomly selects three.

For purposes of a 360, these need not be direct reporting relationships; instead, a "superior" respondent can be anyone hierarchically superior to the individual to be 360'd, who works closely enough with that individual to be able to respond to the questions. Similarly, a "subordinate" need not be a direct report of the individual to be 360'd; they just have to have worked together closely enough for the subordinate to be able to respond to the questions. Narrative comments must be aggressively sanitized to eliminate any chance of attribution.

7. Failure to Deploy a Second 360. Seasoned consultants aren't unfamiliar with CEOs reneging on the second round of 360s. The "new initiative" has become "old hat" and the CEO is no longer enamored; those who dislike the process (usually those whose scores were particularly low) lobby the CEO to abandon further efforts; and the constant pressure to distribute scarce resources among competing priorities are all reasons that imperil the critically important second round.

Best Practice. Without supervisory review of the second 360, accountability for improvement by those who participated in the process cannot be meaningfully imposed, so the entire initiative won't be taken seriously. Absent the second 360, those who worked diligently to improve their scores won't have visibility into the results of their efforts, so they'll be left with uncertainty and lack of closure. Respondents who labored to provide thoughtful input will believe their opinions never really mattered in the first place.

> **Managerial behavior significantly *impacts* productivity, employee attitudes, morale, retention, teamsmanship, and therefore the *quality* of customer interaction and overall business results.**

In conclusion, the 360 is the only tool that provides quantitative and qualitative evidence of the causal link between management behavior and business outcomes. If we agree that managerial behavior significantly impacts productivity, employee attitudes, morale, retention, teamsmanship, and therefore the quality of customer interaction and overall business results, then we must exert the same level of scrutiny upon behavior as is traditionally imposed on other functions. Until management is willing to exert that level of scrutiny, the impact of management behaviors on organizational performance will not be measurable, and will therefore remain invisible, free to impede business results with impunity.

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