

A Blueprint for a Successful 360-Degree Feedback Intervention

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The idea of collecting and using data from multiple rating sources to gain insight into current individual performance is not new. For the last decade or so, multi-rater assessments have been rendered as a business necessity as organizations are transformed into teams of individuals that are highly dependent on one another to perform their day-to-day work. As the knowledge worker is empowered to develop the skills that will enable him or her become the “real expert” in their field, employee teams tend to become specialized in subject matter and as a result spend less and less face time being “managed” by a single individual. In the flattened organizational structures so common today, the multi-rater feedback approach makes perfect sense, as it solicits comprehensive feedback on different areas (e.g. competencies) from those who actually work with the employee and possess the everyday knowledge and context that the direct supervisor may not. Consequently, it should be no surprise that multi-rater assessment interventions have found their place in organizational settings and are a valuable complement to the traditional supervisor-subordinate evaluation.

Multi-rater assessment interventions, most commonly known as 360-degree feedback assessments, provide individual participants with feedback collected from multiple sources (raters). Typically, in a 360-feedback process, a participant will receive feedback from people who have solid working relationship with him/her, such as supervisors, direct reports and peers. The feedback usually consists of ratings against pre-defined statements, as well as freeform comments and advice. When done right, the multi-rater assessment approach can provide employees with valuable information that can enable them to leverage their talent to meet organizational objectives. The Internet has made the implementation of these processes simpler and faster and as a result more and more organizations are adopting a 360-degree feedback approach to support the development of their employees.

The 360-degree feedback process can significantly help in aligning individual goals with overall business objectives and assist in identifying cross-organizational development needs by comparing aggregated scores in different competencies with the competencies needed for success in the organization. This is especially important in cases where the organization is about to experience major change, such as a merger, acquisition, or strategic re-alignment. Multi-rater assessments support team-building by emphasizing the importance of feedback from coworkers and can improve the bonding of employees to the organization, as well as motivate positive behavioral change that can make the organization a better place to work. Also, the multi-rater feedback process emphasizes moving away from seniority and hierarchical-based systems, to a workplace where everybody can contribute to the greater whole in a meaningful way. Finally, the process enables managers and supervisors to assume a “coaching” role and look past short-term goals towards long-term employee development.

Having managed hundreds of multi-rater assessment processes in organizations around the world, we have identified some important factors that can determine the success or failure of such an intervention. In this article, we provide what we find to be the most important determinants of a successful 360-degree feedback process and outline best practices for getting the assessment process right.

Have a clear goal and understand potential risks and limitations

Successful 360-feedback interventions are linked to important strategic goals, have the support of top management, and aim in aligning participants to an appropriate competency model. Multi-rater processes should not be viewed as events that happen once and produce instant results. With 360-degree feedback being so popular, it is easy to fall in the “everybody-else-is-

doing-it” trap and implement an assessment process with no clear business objective. Even worse, it is not hard to overlook the potential risks and limitations of these processes - the 360-degree process can create feelings of anxiety, stress, and exposure to both participants and raters. Due to the nature of the process, these emotions may be very hard to avoid and can be accompanied by feelings of betrayal if the participant is disappointed with the scores received by a specific rating group (e.g. their manager, peers, direct reports, etc.).

Do your homework

The timeframe between deciding to implement an assessment process and actually implementing it tends to be full of little details, most of which could determine the success or failure of the intervention. Who you partner with to implement the process will definitely be one of the most important determinants for success. Assessment processes are almost never managed internally since their outcome is highly dependent on its anonymous nature and the assumption that the data will not be misused by the organization. Therefore, it is a best practice to safeguard the integrity of the process by contracting with a neutral third party - usually a consulting firm. Your partner should bring to the table more than just their technology and intellectual property. They should have the appropriate industry experience and subject matter expertise to assist you throughout the process.

Using an appropriate and relevant instrument with business-focused competencies is also an important factor to the success of the intervention. For best results, organizations oftentimes invest in customizing the instrument to the specific functions, level, and job of the participants. Again, this is an area where your partner firm can provide their expertise to assist you in choosing the right instrument.

Piloting the process is another important step that is often overlooked. A small scale pilot test in real-life setting can provide insight as to the appropriateness of the instrument, its user-friendliness, and how well the process is perceived within the organization. In the case of custom instruments, a pilot is essential in order to collect data that can be used for statistical analysis and potentially lead to instrument updates that can improve its validity and reliability.

Communicate, provide support, and manage closely

Organizations that have mastered 360-feedback commit the necessary resources to provide appropriate training in advance of the process. Training can help employees better understand the importance of objective feedback and avoid common biases when providing their input in a multi-rater setting. Some common biases include leniency and severity (tendency to rate high or be unforgiving), halo effect (rating someone the same in almost all survey items), and skewing (accumulation of one’s ratings at one end of the rating scale).

Effective communication is another important part of a multi-rater assessment process, which can significantly improve the potential for success. Successful 360-degree feedback interventions are always accompanied by clear and prompt communication about the process and its timelines. In addition, communication should leave no doubts about the anonymity and confidentiality of the process, how the feedback will be used, who “owns” it, and who will receive a copy of the results. Setting the right expectations through effective communication is a crucial step that can result in high quality feedback, as raters will be more comfortable responding in an objective and honest way. Similarly, failure to meet the communicated expectations, such as through compromising the confidentiality and anonymity of the process, is

probably the fastest way to failure of your 360-degree feedback intervention, as well as many future attempts.

Allowing ample time for people to provide their feedback is an important step to a successful process. It is important to remember that very often an individual could be a rater for more than one participant, and thus be asked to complete multiple assessments in a short period of time. When deciding on the timelines of the process, it is important to factor in other organizational initiatives that may run concurrently, any holidays or heavy vacation periods, and the busy schedules of participants and their raters.

Organizations that implement best practice assessment interventions often prefer to manage the rater nomination process closely by asking the participant to review the list of selected raters with their manager or HR partner. Moreover, we find that the sponsor's actual level of involvement in following up with reminders to participants and raters, is another important success determinant.

Finally, providing adequate and timely support to respond to users' assessment-related and technical questions will be a decisive determinant in the completion rates that the process will achieve.

Provide the resources necessary for action

We often find that being a tangible deliverable, the actual assessment results report tends to affect the perception of how successful an assessment process has been. Best practice assessment processes ensure that participants receive a results report that is easy-to-understand. A good feedback report should achieve a balance of content detail without being unnecessarily lengthy or overwhelming. Typically, a report should include an in-depth explanation of the model used, an explanation of how results should be read, a rater summary that shows response rates without compromising the raters' anonymity, a high-level data summary of the data collected from raters, a detailed presentation of the data collected from each rater group, a gaps analysis showing how the participant's perception differs from that of his/her raters, a summary of strengths and opportunities for development, and a list of all open-ended feedback received from raters. Given the power of open-ended feedback in a multi-rater assessment process, best practice assessment processes often ensure that open-ended feedback has been reviewed and presented verbatim with the exception of obvious spelling mistakes, offensive comments, and other information that could potentially identify an individual rater. Finally, a development guide and/or worksheet should be included to encourage the individual to take action towards his/her development using the feedback received in the report.

An integral part of a successful assessment process is the utilization of internal or external coaches who can assist participants in understanding the feedback they received and follow through on an action plan. As it is common for participants to focus on the negative side of feedback, a qualified coach can help the participant look beyond the low scored behaviors and come up with concrete next steps for improving on specific areas they find to be critical for their success in their current and future roles.

Multi-rater assessment interventions can be very effective tools in the hands of knowledgeable HR professionals and organizations that are committed to the development of their human capital. There has been evidence pointing to the potential return on investment resulting from a 360-degree process implementation. Research finds that managers can improve with a multi-

rater process, the rate of achieving organizational goals can increase, and the perceived effectiveness of organizational leaders can improve following a successful 360-degree intervention. When designed and conducted appropriately, and in the right environment, multi-rater assessments can provide participants with a wealth of information about what it takes to succeed in their organization, as well as what behaviors need to be improved in order to accomplish professional success.

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