

# Warning: 360-degree Feedback May Be Hazardous to Your Health

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*“Sticks and Stones May Break Our Bones but Words Can Never Hurt Us” - Unknown*

We probably all remember this old saying above as children, but recent evidence suggests that it is actually not true at all (Eisenberger, Lieberman, & Williams, 2003). In fact a new brain neuro-imaging study reveals that the brain areas that are activated when one feels interpersonal hurt or rejected by social exclusion are also those activated during physical pain. We now have an explanation for the feeling of physical pain that accompanies emotional hurt—whether it comes from feedback that is awkward or having our ideas ignored by others.

Not only may feedback interventions not be helpful, but they possibly can be harmful. This same seems particularly true of feedback interventions (e.g., multi-rater) where current meta-analytic research suggests that in one-third of all published studies performance actually decreases (Kluger & DeNisi, 1996). With an estimated 90% of all *Fortune 500* companies using multi-rater feedback it is time to understand that not all feedback interventions are equal; and some may actually do more harm than good (Carruthers, 2003).

There is no argument that even self-aware leaders need feedback from others to confirm and leverage strengths and potential development areas. In fact, enlightenment and awareness are essential for growth, learning and sustained behavior change (Nowack, 1999). Structuring such interventions so that leaders understand, accept and utilize feedback is the key to ensuring that these processes translate into behavior change resulting in engaging and retaining staff at all levels.

Despite its popularity, there exist only a handful of prospective studies about the impact of 360-degree feedback processes (Atwater, Waldman, & Brett, 2002). Although most published studies to date suggest that feedback can indeed be powerful for enlightening and motivating talent, the magnitude of observed behavior change is actually quite small—indeed “incompetent jerks” rarely become “lovable stars” even with the application of “best practices” in feedback interventions.

The claims of performance improvement and behavior change as a result of 360-degree feedback from vendors and consultants have often been overstated relative to evidence available from published research in this area. In fact, current longitudinal research on multi-rater feedback indicates that the effect size (statistical measure of magnitude of an intervention effect) of behavior change with 360-degree feedback interventions is typically very low. Suggesting that we must be very realistic about how much talent will actually change or become more effective (Smither, London, & Reilly, 2005).

## Common Issues about 360-Degree Feedback Processes

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- ◆ Customized 360-degree tools typically are not evaluated for basic psychometric properties such as, scale reliability or factor analysis to ensure that what is being measured is actually useful to respondents.
- ◆ Most 360-degree feedback instruments measure competencies that are highly correlated with each other making it difficult to discern specific areas to focus developmental efforts on.

- ◆ Correlations within rater groups are only modestly correlated making it important for vendors to provide clarification about rater agreement within a feedback report (Nowack, 2009) to ensure that it is interpreted properly (i.e., average scores can be highly misleading).
- ◆ Correlations between rater groups (e.g., direct reports, boss, peers) are only modest inviting difficulty in knowing what the differences among rater groups really mean or where to put one's energy to modify behavior (Nowack, 1992)
- ◆ Talent who tend to “under estimate” their skills and abilities will likely focus more on what they are not doing well rather than their strengths – despite popular books and consultants who argue that “leveraging strengths” is imminently more successful than emphasizing what we do not do well
- ◆ Little research exists to guide vendors, organizations and practitioners about whether qualitative (narrative or open-ended comments) or quantitative (graphs, charts, tables etc.) results in feedback reports optimize acceptance and behavior change.
- ◆ Most 360-degree feedback interventions lack any real accountability for developmental planning resulting in at best awareness but no real behavior change.
- ◆ Most 360-degree feedback interventions are not integrated with any other human resources systems (e.g., talent management/succession planning) minimizing the impact of individual, group and team behavior change.

Unless an effort is made to utilize evidence based “best practices” to help leaders understand and use the results in a responsible and effective manner many 360-degree feedback interventions will potentially result in negative performance outcomes. Once an organization has had a “bad taste” from a poorly designed and delivered 360-degree feedback interventions, the organizational memory about this is long and resistant to overcome in the future. Our own research suggests that practitioners and organizations can enhance the effectiveness of 360-degree feedback interventions by following some specific guidelines and recommendations (Nowack, 1997; Nowack, 2005; Nowack, 2009).

#### Evidence Based Best Practices to Ensure Effective 360-Degree Feedback Results:

- ◆ Spend time contracting with the client system to clarify the purpose of the feedback intervention, who receives feedback and who is accountable for ensuring developmental action planning
- ◆ Provide facilitated feedback by an internal or external consultant to increase understanding and acceptance of the results
- ◆ Link the 360-degree feedback to another HRD system (e.g., talent management/succession or developmental planning as part of the annual performance review process)
- ◆ Utilize only 360-degree feedback assessments with established psychometric properties (e.g., adequate scale reliability, having a solid factor structure)

- ◆ Focus on development plans that leverage the participant's strengths and any possible "derailment" areas to enhance motivation to change
- ◆ Hold the participant's manager accountable for evaluating progress on a measurable and behavioral development plan
- ◆ Build a "balanced scorecard" metric of developmental planning of high potential talent into leader's annual evaluation to facilitate a "coaching climate" within the organization
- ◆ Make sure to build in a mechanism to measure behavior change of talent either by repeating the 360-degree feedback process or using more frequent and abbreviated "change surveys"
- ◆ If you utilize external coaches who are using 360-degree feedback as a tool in their process, be specific about the type of behavior change you expect to see the coach and coachee work on
- ◆ Design an evaluation to determine the usefulness and impact of the 360-degree feedback process being used
- ◆ Teach managers to become better "performance coaches" to facilitate the implementation, tracking and monitoring of development plans of their direct reports

At best, well designed 360-degree feedback interventions are designed to provide specific and useful feedback to talent to enable them to become more effective. In general, typical 360-degree feedback interventions might actually do more harm than good unless an effort is made to utilize evidence based "best practices" to help talent understand and use the results in a responsible and effective manner. Organizations and practitioners must recognize the limitations of this type of feedback intervention for facilitating behavior change and work to eliminate the potential pitfalls if they want to avoid "professional malpractice" that appears to be more the norm than the exception.



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