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360 degree feedback: how to get the best from it

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Introduction

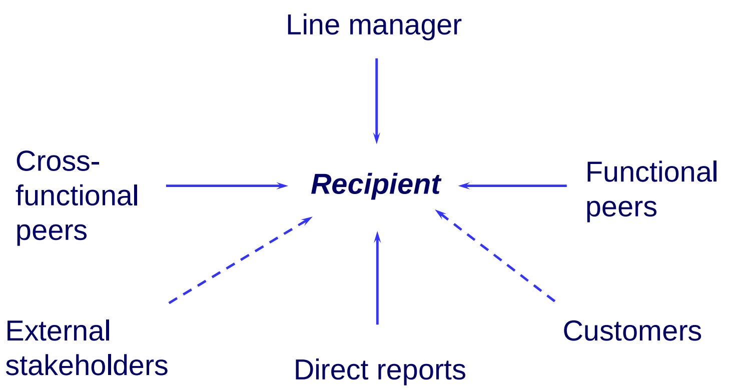
This white paper describes how to make 360 degree feedback work effectively. It briefly describes what 360 degree feedback is, why it is increasingly popular and, critically, how it is supposed to produce its effect. The rest of the paper outlines the stages in a typical 360 process and highlights the things that need to be in place for it to work properly.

Nature of 360 degree feedback

Most often it involves feedback being given to an individual by his / her boss, direct reports and colleagues, combined with a self assessment. Sometimes feedback is also sought from customers and other people external to the organisation such as suppliers, consultants and collaborators.

Throughout this paper I will refer to **Recipients** (the people who receive feedback) and **Respondents** (the people who give it).

Who is involved



The most common purpose for collecting this feedback is to aid the development of the recipient. This may be in the context of an annual process, a development event or of a process of culture or organisational change.

Some organisations have made 360 degree feedback part of the formal appraisal system and a few have linked the results to pay. This certainly ensures it is taken seriously and has a high impact, but risks making the process too political and can reduce the quality and authenticity of the feedback which is given.

I would not recommend use 360 for assessment and this paper discusses 360 only as a development tool.

Benefits

Specific benefits (especially in contrast to traditional appraisal) are:

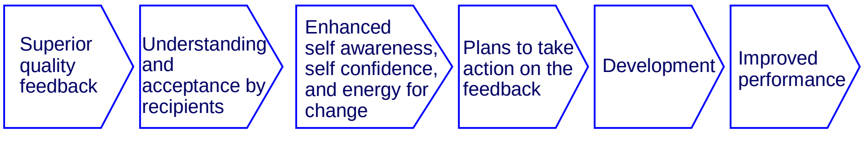
- Combined opinions are more balanced than a single view. Some organisations have seen 360 as a way of countering managers' perceived unwillingness to give negative feedback.
- Some competencies (e.g. in relation to leadership and management) are best judged by direct reports and peers rather than by line managers. And in dispersed organisations managers may have limited opportunities to observe their direct reports' behaviour.
- It supports the increasing use of team, project and partnership working.
- Combined opinions are more difficult to resist or deny and may provide a stronger impetus to personal change.
- It helps to create a more open culture.

Although 360 degree feedback may contribute to achieving culture change, commentators have also identified a need for the culture to be compatible with it – to value openness, learning and support, for example. The relationship is likely to be an iterative one, with the quality and honesty of the feedback gradually improving over time as people get used to the process and as the culture develops.

How it is supposed to work

The diagram below draws out the logical sequence by which 360 degree feedback is supposed to produce its beneficial effects. A key message of this paper is that the process needs to be understood and managed in an end-to-end way if the full benefits are to be gained: one reason for the disappointment some organisations have felt is that the focus has often been on the mechanics of collecting the feedback at the expense of the full process of turning it into improved performance.

How 360 degree feedback works



360 degree feedback should be of superior quality to that which occurs naturally in organisations. It comes from multiple sources, against a consistent framework and at a point in time. Even where informal feedback is regularly given, it provides both respondents and recipients the opportunity to take stock and distil the feedback into the key overall messages.

A key requirement for achieving good quality feedback is to ensure anonymity for respondents. Respondents sometime fear that their feedback will be identifiable and that they will have some comeback from the person they are giving feedback to. As a result they may play safe and offer middle of the road rankings and avoid making critical comments.

The next stage is for the recipient to understand what the feedback is really saying. Individual factors come into play here of course: some managers are naturally open to feedback and keen to learn and develop, others are defensive. The process of self-assessment should lead managers to reflect deeply on their own strengths and weaknesses and prepares the ground for them to be receptive. Giving feedback on others often has the same effect. The quality of report presentation will help of course, but the key factor seems to be the debriefing process. The next section offers guidelines on how to do this for maximum effect.

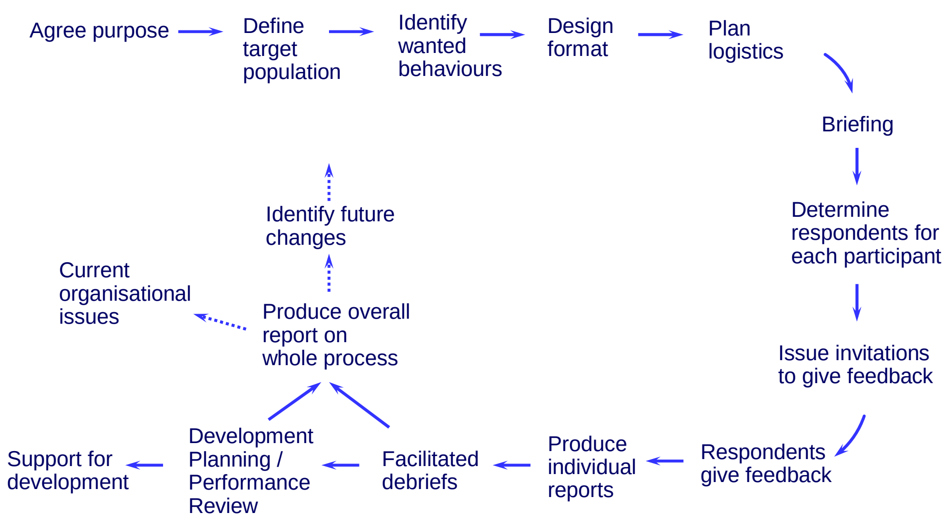
If the debrief has gone well, recipients should be left with a greater degree of self awareness (or at least the reassurance that their view of themselves is borne out by how others see them), commitment and energy to change. Quite often recipients have increased self confidence in their strengths as well.

This willingness to change needs then to be turned into a plan to change – a development plan. And the plan needs to be put into action to produce improved performance.

The process

The diagram below presents a schematic version of the entire process.

360 degree feedback process



Agree the purpose

The first step is to be clear about why you are doing it and how it fits with the rest of your Performance Management process. As noted above, the most common reason is for development and 360 is most often separate from performance appraisal.

Define the target population

360 degree feedback is expensive and time consuming and so it is often restricted to management levels. Where an organisation is piloting 360 it is common to start with the top management – if not, people immediately ask why they were not involved and when they will be.

Identify the wanted behaviours

360 feedback is normally given against a set of competencies. Sometimes these will already exist, but in other cases it may be necessary to develop them as the basis for the 360 process. In every case they should reflect the organisation's purpose, strategy and desired culture.

Design the format

Statements

The most common approach is to present the respondents with a series of statements to react to. It is important to check that the questions elicit descriptive rather than judgmental responses and that that respondents are likely to be able to answer them. Depending on the range of people involved it may be necessary to provide a "no evidence / don't know" option.

Sometimes respondents are asked to assess the importance of particular behaviours as well as how well or how often the recipient does them.

Rating scales

A wide range of rating systems is in use. Some typical scales are:

- Strongly agree / Agree / Mixed feelings / Disagree / Strongly disagree.
- Never / Almost never / Sometimes / Generally / Almost Always / Always.
- Priority development need / Development required / Appropriate / A personal strength.
- Strength / Appropriate / Development need.
- Purely numerical ratings without labels.

There is great debate about whether such scales should have a midpoint or whether respondents should be forced into expressing a judgement one way or the other. There is no simple or easy answer to this and no consensus among practitioners. I have come to prefer a three point scale (with a No evidence alternative) as being the easiest to make sense of at the report stage. It also matches the basic reality that respondents are being asked to make a judgement about whether the recipient is OK, or better or worse than that, in relation to each competency or behaviour.

Comments

It is also extremely helpful to invite written comments. There are three options, which can be combined:

- After each item, if there are not too many.
- After each competency.
- As an overall summary at the end, highlighting key strengths and how the recipient could be even more effective.

Asking for comments means that the process is more time-consuming for respondents, but it greatly aids understanding and interpretation of the ratings. Experience is that comments often have more impact on recipients and are greatly valued by them.

Plan logistics

The fundamental question is the choice of delivery method: this is basically a choice between paper forms and online delivery. Online has clearly now become the main method.

There are also choices to be made about how many respondents there should be for each recipient and about how it is decided who they should be.

As the number of respondents increases, so diminishing returns sets in. Ten is probably a reasonable upper limit. Some people argue for a lower limit of five to preserve the anonymity of participants.

Briefing

It is important to reassure participants (both recipients and respondents) that the purpose of 360 degree feedback is development. You will also need to be clear about the degree of anonymity, who the questionnaires should be returned to if they are on paper, the timescales, and the process by which the feedback will be reviewed.

If comments are expected, it is important to make it clear to respondents that what they write will be seen verbatim by recipients. This could be said to be obvious, but I have more than once encountered respondents who had not realised the implications.

It is desirable to be clear whether the process is expected, mandatory or voluntary. A voluntary process can be a nice way to overcome initial doubts in an organisation new to 360.

It is helpful to give respondents some guidelines on how to give feedback – this may be part of the invitation and should be repeated on the questionnaire or website.

I have also run short sessions for recipients on “How to make the best of feedback” to explain the process and explore how to use feedback to aid development.

Determine respondents for each participant

There is some evidence to suggest that where managers choose who they get responses from they are more accepting of the feedback. In some organisations I have encountered concern that managers will simply ask their pals. If this is a real concern the simple solution is to let recipients choose, but have their managers sign off the choices. This can also guard against another problem: respondents sometimes comment that they do not know the recipient well enough to give sensible feedback.

Another practical issue is respondent overload. In a recent 360 process among a smallish senior management population (about 30), one manager in a key role ended up giving feedback to 13 of his colleagues. Apart from the time involved there is the almost inevitable risk of fatigue setting in and reducing the quality – especially of the comments. The solution here is to agree an upper limit for the number of responses for any one respondent and for the pattern of respondent selection to be moderated by HR. Recipients may be asked to nominate alternates if their first choices are overloaded.

Issue invitations

This is now typically done by issuing an email with log in instructions and a link to a website. The invitation will usually refer to earlier communications, restate the purpose and offer some guidelines about giving feedback.

Respondents give feedback

The main issue during this phase of the process is to monitor progress. With the best will in the world people sometimes forget or defer giving feedback and need to be reminded. It is best to have a clear plan for chasing up non-response: usually an escalating series of emails and phone calls.

Produce individual reports

The report is inevitably one of the most critical parts of the whole process. Reports always aggregate the feedback (both ratings and comments) and indicate which category of respondent gave what feedback, so that it is possible to compare self, boss, peers and direct reports.

The dangers of averaging

The most contentious issue in reporting concerns averaging the ratings. It is quite common to find that a rating scale of say Strongly agree through to Strongly disagree has been assigned numerical values of 1 through to 5 and then averaged. The results then show that on a question or competency a recipient has for example an overall score of 3.7, with self assessment of 4, a boss rating of 3, a direct report rating of 3.2 and a peer rating of 3.8. Sometimes these individual averages are compared with norms for the whole organisation.

This seems a helpful way to summarise the responses, but it is fundamentally invalid. The purist way to explain this by reference to the three levels of measurement. Only the highest level, which is not normally available in 360, can be averaged. The three levels are:

- Nominal: where things can be named: for example, gender can be measured as male or female)
- Ordinal: where things can be ranked - for example, frequency can be measured using the measurement points never, sometimes and often. This is clearly a scale of increasing frequency, but it is impossible to say whether the points are equally spaced out along it.
- Ratio: where the measurement points form a scale and are evenly spaced – for example, length of service could be 2 years, 3 years or 4 years. 4 years is not just more than 2, it is exactly twice as many. Only ratio scales can be averaged.

The rating scales used in 360 are only ever ordinal and codes often used to describe them are in reality just shorthand labels to facilitate processing. To average then is always statistically invalid. To make this clearer, imagine that the answers Strongly agree through to Strongly disagree were assigned codes a, b, c, d and e – it would obviously be impossible to create an average.

The other problem with averaging of course is that it can conceal as much as it reveals: an average of 3.5 may be the result of three very low ratings and three very high ones. It does not mean that the recipient is on the whole a bit better than competent, but rather that they are rated highly by some people and poorly by others.

Finally, knowing that I am a 3.7 or a 2.8 does not help very much with self awareness or forming ideas for development.

Meaningful reports

To be useful a report should show the full spread of answers in a graphical, or at least visual, way. It should be possible to see at a glance:

- How the self assessment compares with the feedback from respondents.
- Where the weight of responses lies.
- If there are differences **between** types of respondent.
- If there is polarisation **within** a category of respondents.

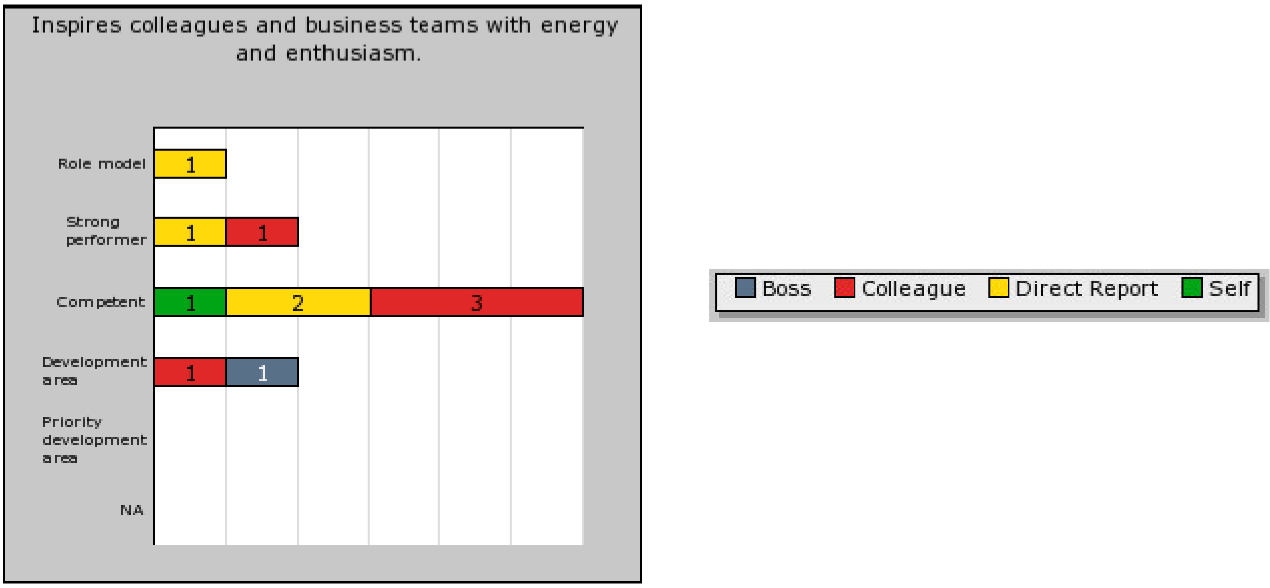
This is both more valid and easier to interpret and draw meaning from than a purely numerical picture.

Leaving aside differences of rating, experience is that bosses tend to focus on technical skills and outputs, direct reports on inputs - interpersonal behaviours, empowerment and vision.

Two examples are shown below.

	Strength	Appropriate	Development need	No evidence
Always treats people with consideration and respect.	●●	■●●◆◆	●●●◆	◆

Self assessment ■
Direct reports ●
Peers ◆



Debrief

The debrief is primarily to ensure that the recipients fully understand and accept what the feedback is saying to them. Although the report usually contains a wealth of data, it is still ultimately perception rather than fact. I think therefore that it should be understood by recipients as an invitation to reflection – and a skilled debrief begins this reflection.

There are three main options for who should carry out the debrief:

- The line manager.
- HR.
- An external facilitator.

According to managers I have done debriefs with, the two key benefits of a proper debrief are as follows:

- It ensures the report is viewed in the round and all possible insights are garnered from it. It reduces risk of recipients cherry-picking bits of good or bad news.
- It ensures that the feedback is taken seriously and is given a chunk of time to be properly considered and focused on.

Some managers definitely prefer to have the debrief with somebody external who is not part of the political system, has no agenda and is not obsessed by the current organisational priorities.

Development planning

This too can be done in various ways:

- With the person who does the debrief, at the same time.
- With the line manager, after a debrief done by an HR person or external facilitator.
- With the line manager but facilitated by an HR person or external facilitator.
- With an external facilitator as the culmination of a sequence involving an initial debrief with the facilitator, followed by a discussion with the line manager to agree development priorities.

Whichever option is chosen, line manager input and commitment is vital.

Overall report on the whole process

As well as producing reports at the individual level, it is always a good idea to produce an overall report for the whole group of recipients. This will highlight both strengths and development areas which are widely shared across an organisation. In the case of development areas this can obviously indicate things which are better tackled at an organisational rather than individual level. Such a report can also offer insight into the organisation's culture.

An overall report can also reveal interesting trends over time. In one organisation I have worked with there was a clear trend for self-assessments to become more in line with feedback from peers and direct reports. This seems to indicate a helpful and positive growth of realism and self awareness.

Learning review

The final step in the cycle needs to be a review of how it went and what can be learned for next time. This is easiest to do if the debrief sessions are also used to collect feedback on the process.

Support for development

Development activities take place after the end of the formal 360 cycle and are easily seen as completely separate. However, all experience is that they work best and are most productive if line managers are actively involved and if the organisation actively supports development by providing development resources and budgets. I have sometimes produced a Development Options Guide for this purpose, listing individual development activities, coaching activities for bosses and the more conventional books and courses.

If these sources of support are not in place it is easy for 360 feedback to peter out and fail to deliver any real benefits. This is incidentally a good reason for introducing 360 from the top down: recipients' managers will have personal insight about what is involved.

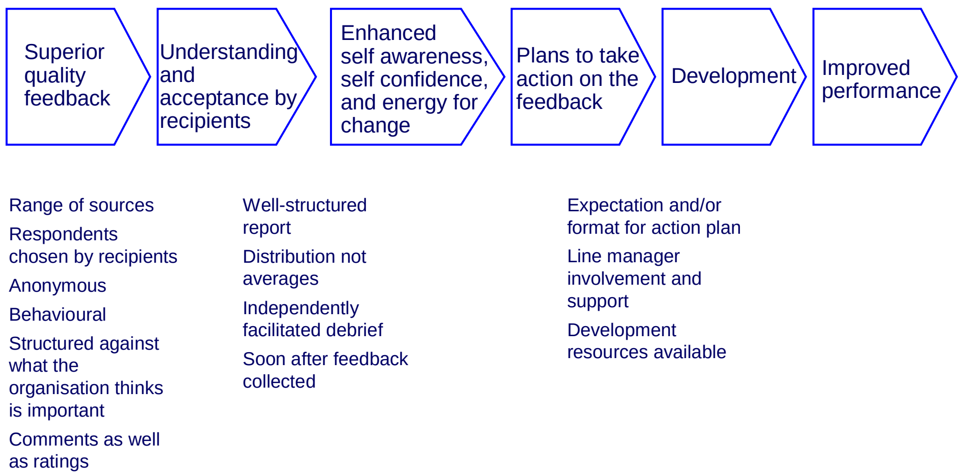
How often?

When people first get 360 feedback they often ask when it will be repeated as a measure of their improvement and change. In most organisations the answer is probably annually, but there will be occasions where six months would be a sensible time scale.

Conclusions: Success requirements

The diagram below repeats the earlier one about how the process is supposed to bring its benefits and highlights the main requirements for success.

What's required to make it work properly



How we can help

- Review and refine your existing 360 process to make it deliver greater benefit.
- Work with you to introduce a new 360 degree feedback system tailored to your organisational needs.
- Help you migrate an existing paper-based 360 degree feedback system to online delivery.

Ring us to discuss on 0118 988 8736 or email peter@peterhyde.co.uk