

Let's End  
*360° Confusion!*



A CRITICAL LOOK AT  
THE PROMISE AND PITFALLS  
OF MULTI-SOURCE FEEDBACK

BY RON AUSMUS

## **360° Feedback:**

### **Is it really the “silver bullet solution” to major management and leadership challenges?**

**M**any consultants and vendors seem to think so. We, too, believe in its potential. Integrity Associates has benchmarked some of the top organizations in a variety of industries regarding its use, and we’ve seen some powerful results. *But we’ve also seen enough serious errors to know the pitfalls as well.* We’re providing this booklet to help you understand how multi-source feedback can fulfill its promise.

For several years now, multi-source feedback has helped managers improve performance, change behaviors and set challenging goals. In many cases it has produced the impetus for developing new relational and managerial skills. When the techniques are properly applied, many managers are motivated to change as the result of honest, specific feedback from colleagues, bosses, subordinates and customers.

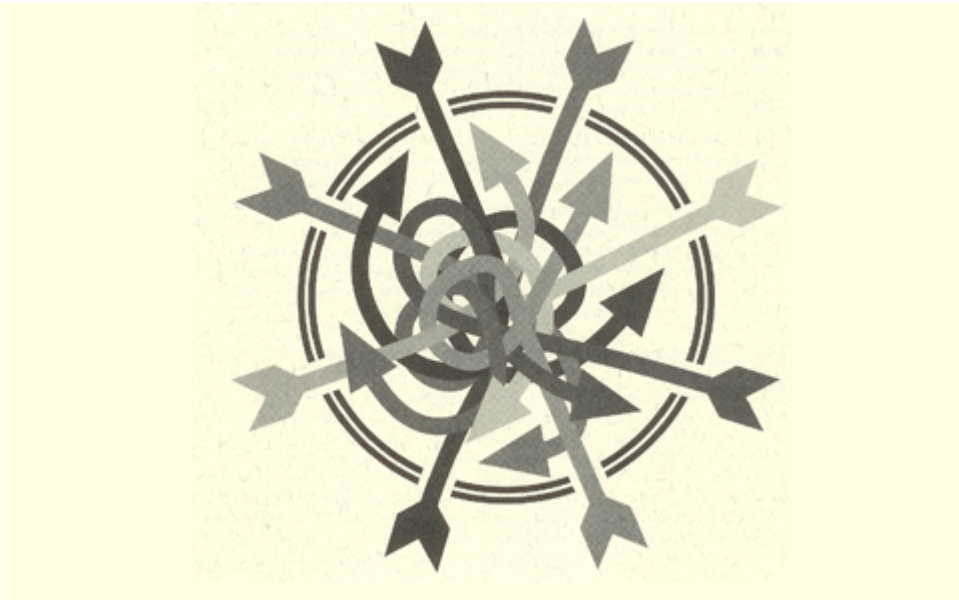
When poorly designed and administered, this tool not only falls short of these goals. It can become a one-time event that is cynically dismissed as just another “corporate flavor-of-the-month fad.” Or worse, it can motivate unsavory defensive and vindictive behavior.

### **HOW DOES MULTI-SOURCE FEEDBACK WORK?**

**E**ssentially the process is a simple one: Questionnaires are used to gather information about a manager’s behavior from a sampling of those most affected: direct reports, peers, bosses, and where applicable, customers and suppliers. This confidential information is processed externally, and the manager is given a feedback summary that shows how each group perceives his or her strengths and growth challenges. Typically, an outside facilitator will conduct personal or group debriefing sessions to help subjects process the feedback and devise personal action plans. To track improvements, the process is repeated, usually at a six month-to-one-year interval, with the same or similar field of evaluators.

## THINGS CAN GO WRONG:

It all sounds simple enough, right? Experience has exposed several stumbling blocks that thwart the effectiveness of this valuable tool. Many well-intentioned initiatives fail. Unwelcome results occur when 360 initiatives are poorly planned and administered without clear objectives and proper training of all the parties involved.



- A 360 initiative is introduced as strictly a developmental tool, then management covertly uses results to determine pay and promotions.
- Confidentiality and anonymity are compromised with disastrous results when internal consultants acquiesce to pressure from superiors and reveal sources of specific feedback.
- Cynicism becomes further entrenched when the positive behaviors measured by the 360 instrument are obviously different from those actually prized and rewarded by the organization.
- When they are excluded from the planning, design and implementation of the initiative, supervisors may sabotage the effort out of fear of losing authority.
- Using the wrong instrument can cause participants to feel overwhelmed by inappropriate standards, paralyzing realistic goal-setting efforts.

- Lack of clear training on fair rendering of feedback and separation of personal vs. professional traits and behaviors can cause feedback providers to exaggerate flaws in order to “get even.”
- Too many feedback assignments and time constraints can cause evaluators to experience “survey fatigue” and render inaccurate or meaningless results.
- Lack of sufficient training and preparation for balanced reception of feedback can cause subjects to receive information very personally and feel deflated and de-motivated.

### **Things Can Go Right:**

Given all that can go badly, this valuable tool can still deliver on its full potential. It requires careful planning and timing to integrate this tool with your company’s employee development initiatives. To prevent your first—or next—360 initiative from being an expensive one-time disaster, keep the following key planning components in mind:

keep the number of objectives to a minimum. Once multi-source feedback becomes well accepted as a personal development tool, participants often voluntarily extend its usefulness to other areas.

### **ESTABLISH CLARITY AND INTEGRITY OF PURPOSE:**

Before implementing a multi-source feedback program, you should carefully define and articulate its purpose and the parameters of its long-term use. Rushing into the rest of it without this important step can undermine valuable trust and support for the effort. It risks stating an original purpose that becomes victim to “mission creep” as other objectives are tacked on that dilute the credibility of the program. Successful initiatives keep the number of objectives to a minimum. Once multi-source feedback becomes well accepted as a personal development tool, participants often voluntarily extend its usefulness to other areas.

Multi-source feedback is valuable in a number of different frameworks. Each may require a different type of instrument and/or application of the technology.

### **As developmental feedback for personal goal setting:**

In this framework, *the summary report is for the participant's eyes only!* Research shows that most managers who receive poor-to-moderate marks in key areas will voluntarily improve their performance within six months. In most cases those improvements are maintained for two years or more. The survey instrument for this initiative can be a custom tool, tailored to specific job requirements. Or it can be one of several well-tested instruments that chart behaviors relevant to generic success factors for the appropriate level of employee or manager.

*TIP:* Busy managers often lay the feedback report aside after a quick once-over. Although excluded from viewing the feedback summary, supervisors still need to prompt their people to follow through with the action planning piece, and share those goals on a timely basis.

### **As part of a performance improvement coaching program**

Here the results are shared with a superior or mentor/coach who takes an active role in the action planning and provides performance coaching. This approach should use a customized instrument that measures specific job-related competencies, and the behaviors congruent with the company's culture and values. Well-constructed instruments give concrete descriptions of low, mid and high levels of performance and behavior congruence.

*TIP:* This approach works best when action planning is coordinated with specific internal or external training opportunities available to the feedback subject.

### **As part of a leadership development program**

Companies that place a high value on leadership and teamwork often choose to benchmark their leaders against those in the best organizations of like size. This requires a highly refined and "normed" instrument to provide a valid and reliable basis for such comparison. Usually these instruments are keyed to a formal, structured leadership development program.

*TIP:* Several good instruments are commercially available for this kind of objective. However they need to be carefully selected and applied. Leadership traits appropriate for front-line supervisors differ from those expected of mid-and-upper-level executives. One government agency we bench-marked, buys a top level instrument "in bulk." We found that lower-level managers there often become disillusioned when evaluated for behaviors not appropriate to their leadership scope and function.

## **As part of an internal management development career path**

This application can measure proficiency in numerous concrete organizational and managerial skills that may or may not include leadership. Today's organizational structures range from traditional lines of accountability and formal boundaries, to "flat" structures of self-directed work teams. The right measurement instrument for one structure could be a total misfit for another. That's why the instrument and training components need to be custom fitted to the organization's structure and dominant cultural characteristics.

*TIP:* An unexpected bonus to this application is the opportunity for management to articulate a clear philosophy and delineate the skill sets necessary for success.

## ***As the basis for promotion, bonus pay, re-engineering or down-sizing initiatives.***

Any of these applications immediately switch on the *CAUTION* light! When competition among peers for pay and promotion enters the picture, self-interest can erode the spirit of goodwill and helpfulness. Competition and fear of loss can motivate individuals and clusters of employees to "game the system" with excessively high positive or negative ratings for their benefit, or to the detriment of other employees.

However, when the proper groundwork has been laid over time, a well-received 360 degree feedback system can become one element of a company's formal appraisal system. Supplemented and balanced by key measurable business results, feedback can be an important input. But this migration should take place only after the program has achieved widespread acceptance and success as a developmental tool. (Success = 75-98% acceptance.)

The worst reported disasters have occurred when multi-source feedback has been too hastily applied to matters of pay and retention. A large manufacturing company first introduced their 360-degree feedback system directly tied to its formal appraisal system. The process proved to be a waste. Colleagues and cross-functional work teams reciprocally gave each other high ratings out of fear that anything less would be fodder for the next cycle of down-sizing.

Anticipated workforce reductions inherently produce a highly charged emotional environment where fair and objective feedback is virtually impossible to render.

*TIP:* Multi-source feedback achieves its potential when applied in a climate of trust, honesty and cooperation. With careful communication and timing, organizations can maintain that climate, as the tool is gradually integrated to become a part of formal performance assessment.

## **ASSESS ORGANIZATIONAL READINESS:**

Multi-source feedback initiatives thrive in high-trust corporate cultures where upper management places a high value on input from all levels within the organization as well as customer feedback. This tool enhances performance in companies whose leaders are risk-takers for progress, rather than fearful, thin-skinned guardians of the status quo.

Some form of 360 degree feedback is a standard developmental tool in most team-oriented companies. But an organization's formal framework is less important than its general climate. One large utility company implemented a 360 degree feedback program in the shadows of a fresh re-engineering effort. The results were as unsatisfactory as they were unsurprising.

*TIP:* An experienced outside resource can be valuable in helping companies assess the climate and employees' receptiveness to implementing this powerful tool.

## **EDUCATE PARTICIPANTS FOR THE LONG TERM:**

Receiving feedback for the first time regarding others' perceptions of your behavior can be an emotional experience. Adequate training on both ends of the process is critical. Evaluators need a thorough orientation on the task of giving fair and objective feedback. Likewise, for feedback to be received in the proper perspective, debriefing requires the skills of a sensitive facilitator. Time should be made available for the participants to process the feedback one-on-one with the facilitator, if desired.

One major government agency immersed its upper-level managers in a sophisticated leadership program that included multi-source feedback. The participants were ill-prepared to receive candid feedback. Most were traumatized by both the responses and the quick, impersonal debriefing sessions.

## **OTHER CRITICAL SUCCESS ELEMENTS:**

- Support from the top is critical. Upper-level managers can set the pace by offering to pilot the process.
- Confidentiality is crucial. Participants will not risk candid responses if the processing, storage and reporting of feedback are not absolutely secure and confidential.
- Employee involvement in selection and design of the instrument is highly valuable. People will support what they've had a hand in shaping.
- Follow-through is essential. Management demonstrates commitment by validating and supporting the competencies measured.
- Evaluators must be appropriately chosen. They should be people with regular direct contact with the subject's work for at least six months.

- Well-designed instruments should be easy to administer, and should take no more than 15-20 minutes to complete.
- Surveys should be phased so as not to overload evaluators. “Survey fatigue” sets in when a busy employee has too many evaluations piling up on his/her desk.
- Feedback summary reports should be presented in a way that is easy to understand.
- Consultants and facilitators should have enough experience with the company to adequately counsel the leaders regarding purpose, timing and implementation planning.

### **GET YOUR MONEY’S WORTH:**

Multi-source feedback can indeed be a powerful tool for self-chosen or structured growth and development. Broad research has demonstrated that participants take this form of feedback much more seriously than that coming from a single source. The time, learning curve, and resources required for a successful on-going program represent a significant investment. When properly implemented, this collaborative technology achieves employee support and pays significant long-term dividends.

Where appropriate, Integrity Associates integrates multi-source feedback technology into the design and implementation of custom-tailored employee development programs.