

## USING 360 FEEDBACK FOR PERFORMANCE MANAGEMENT

Collecting performance feedback from a range of people can (if done well) reduce subjectivity and bias, from things like the 'halo effect' or ratings that are personality driven (like vs dislike), therefore providing a clearer, more balanced / rounded view of an individual's performance. 360 feedback within the appraisal process can also be of real value in helping to differentiate between the middle band of performers. On saying that, using 360 for performance review also increases the potential risk of the activity being viewed as a negative experience and one that de-values feedback and performance management.

If you are in the process of planning to use 360 feedback to appraise / evaluate / review performance, then you should be aware that whilst the basic concept / process is similar to that used when the system has been designed for development purposes only, successful implementation requires the following to be considered, planned for and applied:

- Clarity about how the 360 degree feedback process will be used - As a core principle, we would strongly advise that the feedback collected should be used to influence outcomes, not dictate them.
- Honest communication - It sounds obvious, but clearly and honestly explaining to participants and their respondents the context and how the 360 degree evaluation will be used is essential (and a legal requirement).
- Alignment of competences - The questions must accurately paint the picture of role expectations. Therefore, the use of a range of questionnaires tweaked to meet the needs at different organisational levels or in different functional areas is key.
- Develop a 'weighting plan' - Different parts of the feedback data, will add different value, to the different aspects of the measured areas – for example:
  - When measuring 'team leadership' a team member's feedback should carry more weight than the perspective of a peer / colleague.
  - There is evidence that peer feedback can be a good indicator of future potential and therefore should it carry more weight in that area?
  - Colleagues' feedback relating to cross functional working should be worth more than a customer's perspective.
  - The ratings a team leader receives linked to supervising others could carry more weight than the ratings received relating to strategic thinking.
  - Should the line manager's score be weighted more than other populations?
  - In summary, there needs to be a clearly thought out 'weighting plan' that cuts across feedback population groups and competency areas.
- the risk of extreme perspectives - Consider not collecting in feedback ratings from anyone with pending / disciplinary issues.
- subjectivity - Consistency of rater responses and how the feedback is used by line managers is very important. Put a process / training in place that enables greater 'reliability' of responder ratings and defines how line managers will use the information. This can be achieved by:



- reliability of rater responses:
  - use of clear / detailed descriptors on the rating scale
  - 360 degree performance review training, focused on developing organisational consistency in the understanding of the rating scale and how to provide great 360 degree performance evaluation feedback
- consistency in how the feedback is used – through the use of line manager workshops

A final word of warning – In our experience 360 feedback used for performance reviews / appraisals is far more likely to work if the organisation has a reasonably mature feedback culture - Managers and employees should have previous experience of providing, receiving, interpreting and actioning 360 feedback given in a developmental setting.

David Cooper  
Director

