Best Practices in Reporting 360-Degree Feedback

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360-degree feedback has become one of the most commonly used leadership development and assessment tools in business. The unbiased and candid feedback an individual receives from his or her supervisor, peers, direct reports and other constituents offer data that are critical to employees' successful job performance.

The prevalence of 360-degree feedback is undeniable. Atwater and Waldman (1998) found that approximately 90-percent of Fortune 1000 companies are using 360-degree feedback in one form or another. Other indications that 360-degree feedback is becoming more universal in organizations include features in popular business magazines (e.g., *Fortune, Business Week, Working Woman*) and the proliferation of human resources consulting companies offering 360-degree feedback services.

The growth in popularity of 360-degree feedback reflects a growing recognition that traditional methods of employee evaluation are inadequate in today's business environment, in which intangible assets are key drivers of a company's bottom-line. The premise behind 360-degree feedback is that an employee contributes to an organization's success in complex ways and that this is best observed through the perspectives of the various people interacting with that employee, rather than through only one person's eyes (typically the employee's manager).

Although 360-degree feedback offers a powerful tool for gaining insight into strengths and weaknesses at the employee, department, or organization level, the real return on investment comes from its ability to bring about positive changes in employee behavior. A necessary condition for initiating and sustaining behavioral change is the ability to interpret critical feedback from others in a positive fashion (Nowack, 1992). It follows then that the springboard for any subsequent behavior change is the effective communication of the results to the employee receiving the feedback. Thus, the format in which is this information is conveyed is central to the success of the feedback process.

The most common approach to sharing 360-degree feedback information with the recipient is to provide this person with a written report, including both quantitative and qualitative data on strengths, as well as information on things the person could change to be more effective in his/her job. Given that participants often receive complex and sensitive information about how their peers, direct reports and manager view their performance, trained coaches are sometimes used to help interpret the results with the recipient.

Guidelines for conducting 360-degree feedback initiatives are in long supply, both in academic and popular journals (e.g., Healy, Walsh, & Rose, 2003; Dalessio & Vasilopolous, 2001; Sederburg & Rogelberg, 1998). However, few reviews have specifically addressed optimal means for presenting performance information in written 360-degree feedback reports. Because feedback data can be displayed in a variety of forms, a set of best practice recommendations would aid HR professionals in designing effective feedback processes, as well as evaluating 360-degree feedback vendor capabilities.

Building on the recommendations of others (e.g., Sederburg & Rogelberg, 1998), the following guidelines are intended to provide direction to HR professionals in the design and implementation of effective 360-degree feedback programs. These guidelines were published at a time of increasing demands for actionable employee performance information, and a clear recognition of the role of intangible assets in driving company financial and operating performance. The practices contained herein were derived from the experiences of viaPeople's

consultants working in client organizations, as well as through the available literature on effective feedback delivery.

Keep it Simple, Yet Sufficient

Individuals will not take time to thoroughly examine their feedback if the data are overwhelming, confusing, or cryptic. Likewise, if there is insufficient information to identify clear trends in how one's performance is perceived, it will be like putting a puzzle together without all the pieces.

Clear, concise and understandable reports increase the likelihood that feedback will be carefully considered and serve as a forceful catalyst for change. 360-degree reports should be designed so that feedback recipients can quickly locate and interpret the most critical feedback. Feedback data should be presented and ordered in a way that allows the recipient to first get a high-level view of his/her strengths and development needs (e.g., average competency ratings), as well as an indication of how different rater sources view his/her performance. More detailed rating information (e.g., ratings on individual behaviors) should be reported later in the report.

Confidential Feedback Report For Susan Sample

Overall Competency Ratings

				Self	Leader	Peers	Direct Reports	Internal Partner
	Avg	*sd*	*Norm*	1	1	3	7	7
Product Knowledge	3.62	0.96		2.75	3.25	3.18	3.54	3.93
Motivation	3.59	1.04	3.47	3.75	4.00	3.05	3.56	3.75
Company Culture	3.56	1.05	3.54	3.12	3.88	3.26	3.46	3.70
Communication	3.35	1.00	3.47	3.58	3.33	2.88	3.53	3.35
Leadership	3.01	0.97	3.33	2.95	3.05	2.57	3.00	3.17
Strategic Thinking	2.82	1.00	3.37	3.25	2.75	2.61	2.63	3.09

Overall Average Rating: 3.24

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Display Feedback in Multiple Ways

Individuals have different learning styles and preferences for the ways they absorb and process information. Some respond strongly to visual forms of information, including graphs, diagrams, and tables; others are more comfortable with verbal information, such as narrative text. To ensure that the feedback can be easily understood and interpreted by a wide audience, a combination of graphics and text should be used. Graphical and tabular display of the average effectiveness or frequency of behavior ratings should be presented for each rater category, and averaged across rater categories (excluding self) for a comparison of self and others' ratings. Competencies that are identified as most critical from importance ratings should also be flagged to draw attention.

Don't Neglect Qualitative Feedback

Numeric data provide quantitative information that individuals can use to compare their performance to a variety of benchmarks, while qualitative data (i.e., written comments) shed light on specific strengths, weaknesses, and issues that are often obscured by quantitative data alone. Written comments are often solicited because they offer a rich source of insight into individuals' performance, qualifying numeric ratings by capturing the subtleties and nuances of employees' on-the-job behavior. Because written comments play such a critical role in feedback interpretation, it is important that they are positioned prominently in the feedback report – not appended to the end of the report as an afterthought.

Comments by Competency

Competency: Business Acumen

Self:
I am confident that I consistently show my broad business skills and demonstrate fiscal responsibility which have increased the efficiency or reduced costs for the company.

Manager:
Susan can operate from a strategic perspective in her own area of expertise, but needs to apply this to other areas of the business in order to present a more well-rounded business acumen.

Direct Reports:
Susan recognizes broad implications of issues both from a strategic and financial perspective. This allows her to provided more constructive ideas or feedback.

She has a uncanny ability to identify efforts that will have the greatest strategic impact yet still balance the big-picture concerns with day-to-day activities with our team.

Peers:
Susan definitely has the business skill within her department, but needs to better appreciate the business acumen of other disciplines. She would be best served by participating in a business management activity outside of her expertise.

Clients:
I find that Susan has been able to develop strategies and tactics to enhance the organization's competitiveness.

Others:
[No Comments]

Competency: Managing Vision

Self:
[No Comments]

Manager:
Susan clearly communicates the vision and articulates department goals that support that vision.

Direct Reports:
She can translate the vision into clear objectives and tactics. She will identify specific actions steps and accountabilities.

Peers:
She fosters the development of a common vision.

Susan provides clear directions define priorities for the her team members.

She will link the team's mission to that of the broader organizations.

Clients:
[No Comments]

Others:
Makes the team mission and strategies clear to others.

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Benchmark Results

When appropriate, individuals' feedback should be benchmarked against other employees through the use of norms. Norms help individuals understand how they are performing in relation to others. Norms may be reported by group, department, division, organization (local norms), or industry (national norms). Comparisons to local norms are valuable because they help managers gauge their performance against others in their company in similar roles and environments. Because each organization, even those within the same industry, has a different culture and perhaps unique job demands, comparison to industry or national norms can be misleading. What is important in one organization may be irrelevant in another. For this reason, the use of industry and national norms often lack real value.

Whatever norm is used, it is important that it is based on a relatively large sample (i.e. several hundred people) and appropriate for the role of the person to whom the feedback will be provided. Additionally, only one norm group should be presented (e.g., the employee's department) so that the feedback recipient is not inundated with data and can focus on the most relevant information when interpreting his/her feedback.

Display Rater Agreement Statistics

Although average ratings are informative for summarizing how others view your performance, it is only part of the puzzle. Without some idea of the extent to which raters within rater groups agree, feedback recipients have no way of knowing if individuals within a rater group view their performance similarly. Two ways of expressing rater agreement are the *standard deviation (SD)* and *frequency tables.* The SD is the statistic most often used to describe variability in ratings distributions and can be thought of as a rough measure of the average amount by which ratings deviate from the mean. Because the SD doesn't show the distribution of ratings (for example, how many respondents rated the person a "1"), it is also recommended that feedback reports include frequency tables. Frequency tables display the number of raters assigning a rating to a specific behavior.

Items By Competency

Communication
Delivers clear, convincing and well-organized presentations.

	Avg.	sd	N	1	2	3	4	5	DK
Self	4.00		1				1		
Leader	2.00		1		1				
Peers	3.00	1.00	3		1	1	1		
Direct Reports	3.29	1.60	7	1	2		2	2	
Internal Partner	3.50	0.84	7		1	1	4		1
Overall	**3.24**	**1.20**	**19**	1	5	2	8	2	1

Communication
Encourages open expression of ideas and opinions.

	Avg.	sd	N	1	2	3	4	5	DK
Self	3.00		1			1			
Leader	4.00		1				1		
Peers	2.50	0.71	3		1	1			1
Direct Reports	3.29	1.38	7		3	1	1	2	
Internal Partner	3.00	0.82	7		2	3	2		
Overall	**3.12**	**1.05**	**19**		6	6	4	2	1

= Norm = Standard Deviation

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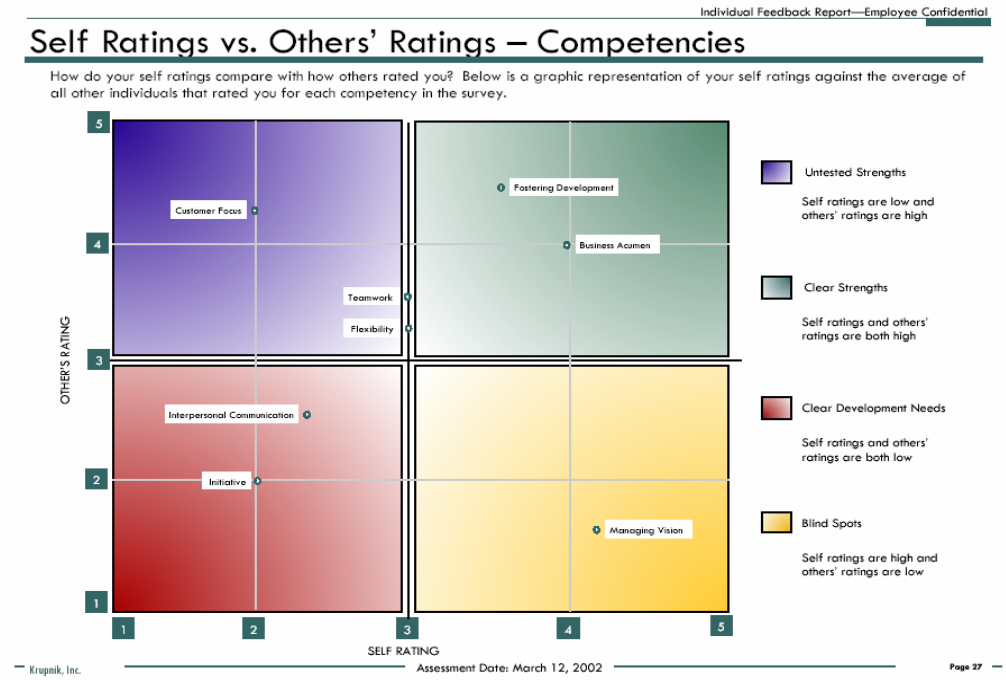
Highlight Strengths and Priority Development Needs

Self vs. Others
Tables or graphs comparing self ratings on competencies with the average competency ratings by other rater groups can help the recipient quickly identify "blind spots" (high self ratings, low others' ratings) and "untested strengths" (low self ratings, high others' ratings).



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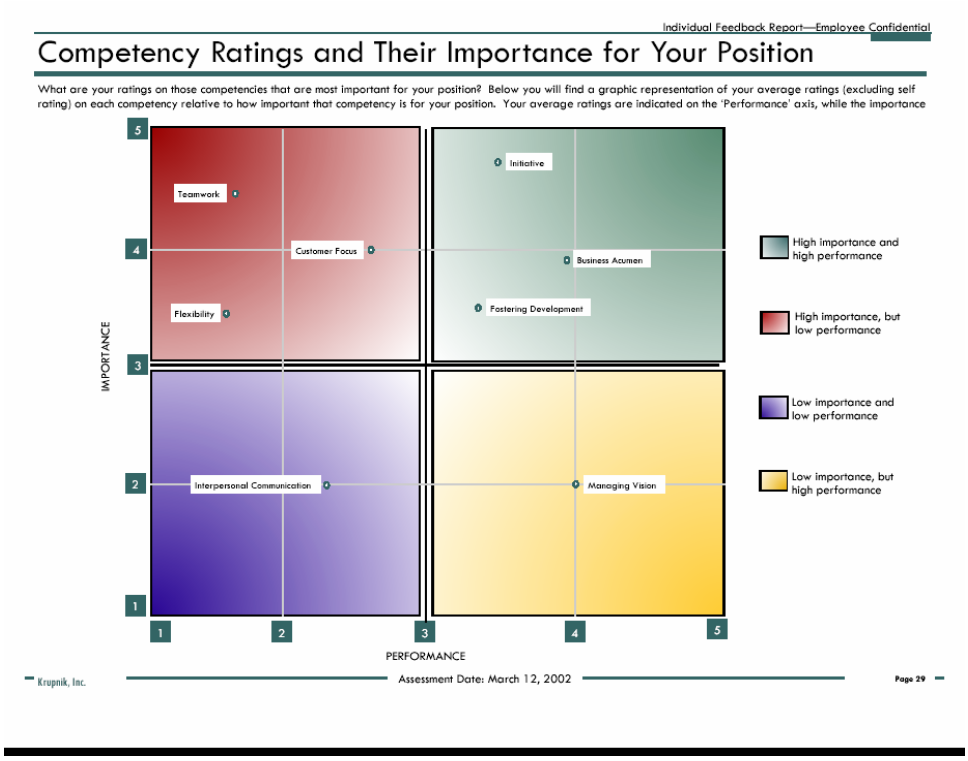
Importance vs. Performance
A graphical representation of average competency importance ratings versus average performance ratings on each competency can help to clarify areas that are most critical for employee development. For example, a competency rated as important for success on the job, but on which an individual is performing poorly, represents a high priority development need. Whereas, a competency rated as non-essential for job performance, and which the employee is performing poorly, reflects a low priority development concern.



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Conclusion
The use of 360-degree feedback in organizations has increased dramatically over the past few years. Despite the potential for 360-degree feedback to motivate behavioral change, little information exists on how to best communicate feedback to the recipient to ensure that it is accepted, internalized, and used to enhance performance. While the mere presentation of data does not ensure that it will be acted upon, the content and format of the report can impact the extent to which individuals can interpret their feedback and take subsequent action to improve performance. The best practice guidelines offered above increase the likelihood that 360-degree feedback will increase self-awareness and stimulate behavioral change leading to improved performance.

For more information on how viaPeople, Inc. can help your company design and implement a powerful 360-Degree Feedback system, please contact Russell Lobsenz, Ph.D. at (212) 695-7487 or rlobsenz@viapeople.com.

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