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TREC HR & SUPERVISION RESOURCE

Using Individual 360 Feedback in Organizations

360-degree feedback is more commonly becoming available to all staff in an organization, not just select leaders. This growing interest has both some benefits but also some risks. Done well (see recommendations below), 360-degree feedback may:

- Give employees a great deal more feedback and often higher quality feedback than they would normally receive from a variety of sources, which helps identify patterns in their impact and behavior
- Develop and strengthen teamwork and accountability
- Uncover procedural issues that can hinder employee growth
- Reduce raters' bias and discrimination tendencies
- Be taken more seriously by employees. Many employees feel 360-degree feedback is more accurate, more reflective of their performance, and more validating than feedback from a supervisor alone who may share less direct exposure to their work daily.

However, handled poorly (I.e., without careful planning, skill, buy-in, etc.), 360-degree feedback can do more harm than good (see additional insights described below). 360-degree feedback does not reduce the responsibility or work required from the person who is sharing the feedback. It is not a shortcut but rather a thoughtful and potentially more inclusive way to ensure the one receiving the feedback is getting a full sense of their impact.

We will explore the options, approaches, issues, and resources around using 360-feedback in situations other than Executive Director (ED) evaluation situations. More details about ED evaluations are available on trec.org.

Purposes of 360-feedback and TREC Recommendation

360-feedback is a system to help employees get anonymous feedback from various people they work with, e.g., internal peers, external peers, subordinates, supervisor(s), etc. There are ***two basic uses for 360-feedback: personal development and performance evaluation.*** It is critical to understand this distinction and ensure this is clear to everyone in the organization, who receives which, and that systems are set up to uphold those distinctions.

TREC recommends that Executive Directors are the only ones in an organization who use 360 for performance evaluations. Evaluations for EDs are used where there is a need for an anonymous, broad picture of performance, which is most critical given the ED's central role and position at the "top" of the hierarchy. In this limited situation, 360-feedback can be highly effective if done well (as described in the *TREC's Executive*

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Director Evaluation Toolkit). There is also a case to be made to use 360-feedback as part of performance evaluation for senior managers.

We do not recommend using 360-feedback for performance evaluation of all employees; instead, it should be used for personal development. Some organizations are drawn to consider 360-feedback for rating performance because they feel performance accountability is lacking, and anonymous 360-feedback will help allow peers to give more honest and direct feedback. Sometimes managers do not think they have the skill to give effective feedback or enough data to do performance evaluations and think 360-feedback will be helpful. Unfortunately, these are not good reasons to use 360-feedback for performance evaluation; rather, we suggest that organizations look at other ways to improve their overall performance management, development processes, and culture and strengthen supervisor skills.

360-feedback is not an effective way to assess whether an employee is meeting annual or job description goals. As many responders would not know the employee's goals and not have enough information to effectively assess achievement of the goals, or they may have a skewed perspective. Accomplishment of key goals (e.g., from their annual workplan) is a discussion between the supervisor and employee; the supervisor may choose to talk with other supervisors or employees about goal accomplishments if they need more information.

When reviewing 360-feedback, both the employee being evaluated and their supervisor may focus too much on isolated pieces of feedback, e.g., a specific written comment, as opposed to broad themes from multiple respondents. This can skew the supervisor's perception even if they feel they will be objective. As a result, focusing on one-off comments can make the process appear unfair or persecutory to the employee.

The most valuable role for 360-feedback is for the employee's own personal and professional development. Interestingly, using 360-feedback for development purposes indirectly has a performance impact because developmental feedback always has information the recipient can use to improve their performance. Given that, development-focused 360's can achieve many of the same goals of a performance-focused 360 with fewer risks.

The bulk of this document explores the why, what, and how of a developmental 360-feedback approach.

360-feedback for Personal/Professional Development – Overview, key questions to explore

When designing and implementing development-focused 360-feedback, it is important to identify clearly:

1. **Is the 360-feedback optional or mandatory?** Reasons for making it optional may include:
    a. Respecting personal choice. This may include acknowledging that people may have had past experiences of 360-feedback that were quite negative, or their

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personal identity (e.g., linked to power, privilege, gender, race, etc.) may create risks if they open themselves to anonymous feedback).

2. **Investment in resources.** Does the organization want or have the capacity and resources for the time and costs to invest in it?

3. **The focus of the feedback (content).** There tend to be two different types of focuses for developing 360- feedback in organizations:

a. Leadership competencies. Most 360 systems are for staff in formal leadership roles. The questions or competencies that leaders are rated on are either model-based ones that have been developed by external parties (I.e., the "Leadership Circle" 360 that TREC uses in TREC's leadership programs is an example of a model-based leadership 360) or on a customized, in-house developed list of leadership competencies, values, etc., that your organization has identified for its leaders.

b. All employee competencies. These are for any employee and contain questions about how employees are demonstrating things, such as shared organizational values and mutually agreed upon desired employee competencies and qualities

4. **Qualitative or quantitative data?**

a. An organization needs to decide if 360-feedback is based only on open-ended qualitative questions. (E.g., What should this person do more of, less of, keep doing? What are this person's biggest strengths as a fellow employee? What are their biggest weaknesses?) Or quantitative ("On a scale from x-x, this employee: "rarely demonstrates to always demonstrates …," etc.), or a mix of both. There are pros and cons of each approach. However, it is widely agreed that qualitative/written responses tend to be both most valuable (and most problematic if they are cryptic or overly harsh) and should be included. Most 360-feedback includes both.

5. **Who provides feedback, all staff or select staff?**

a. As a general guideline, feedback should only come from people who have enough experience with the feedback recipient over time. Depending on the size and structure of the organization, every employee may get feedback from every employee. Or each employee may have a customized list of responders (typically, the supervisor will be involved in determining responders).

6. **Is the feedback reported by sub-categories of responders?**

a. Some 360-feedback systems break responders into sub-categories like supervisor, internal peers, external peers, direct reports, board members, etc. To maintain anonymity for the responders, any responder sub-group must have at least three responses for their responses to be reported as a sub-category; otherwise, they should be included in the overall data without being shown separately.

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7. **Internal or internal/external responders?** Some employees may have significant contact with people outside the organization, so they may include them as responders.

8. **Who sees the feedback?**

a. It needs to be clear that the feedback is for the benefit of the recipient, not the supervisor. Full results may be seen only by the recipient or shared with the supervisor; the recipient may share just a summary with the supervisor.

9. **How the feedback is used and summarized:**

a. Typically, 360-feedback themes will be addressed in a standard development plan for each employee.

General Recommendations for using 360-

1. Use 360-feedback as a well-integrated piece of an overall performance management process, not as a stand-alone solution.

> *Performance management is the process of creating a work environment or setting in which people are enabled to perform to the best of their abilities. Performance management is a whole work system that begins when a job is defined as needed and ends when an employee leaves your organization. An effective performance management system sets new employees up to succeed, so they can help your organization succeed. An effective performance management system provides enough guidance, so people understand what is expected of them. It provides enough flexibility and wiggle room so that individual creativity and strengths are nurtured. It provides enough control so that people understand what the organization is trying to accomplish.*
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> - Heathfield (2020, February 1). Annual Performance Reviews Will NOT Ensure Employee Success. (2020, February). *The Balance Careers*. https://www.thebalancecareers.com/performance-management-is-not-an-annual-appraisal-1918847

(This is explained well in *Annual Performance Reviews Will NOT Ensure Employee Success*.) This "start to finish" process includes good job descriptions, clear goals, orientation, training, coaching, performance feedback, etc.

360-feedback for development purposes can work very well when the above types of elements are consistently, equitably, and clearly present.

2. Take ample time to learn about, explore, design, pilot, and implement 360-feedback systems; this process is often seen by many employees (and leaders) as threatening for a range of reasons. Take the time to get it right, as mistakes are costly and sometimes impossible to recover from.

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3. Ensure 360-feedback is used effectively and ethically
    a. Ensure a robust process of exploring the options, pros and cons
    b. Involve employees throughout the process. For example, you will get the most buy-in from employees if they are involved in identifying the competencies, qualities, etc., on which they will receive feedback. (One additional benefit of involving employees this way is that it indirectly helps clarify the type of culture employees want.)
    c. Tie to other systems (e.g., supervision) and guidance (organization values, strategic direction, and priorities)
    d. Customize to your organization (versus "one size fits all")
    e. Ensure managers do not inappropriately use 360-feedback to deal with a problem employee. (E.g., Managers may push an employee to get 360-feedback and then lean on the employee to divulge the contents; or managers may assume that 360-feedback will "fix" an employee and will therefore hold off on giving the employee direct and challenging feedback the employee really should hear.)

4. Only introduce 360-feedback if you have a culture of healthy trust, respect, and safety. 360-feedback puts people in positions of vulnerability, especially those who are less heard when they do speak up and have barriers to speaking up. Feedback is more likely to be "weaponized" (used to harm recipients versus help them) in a low-trust, low-inclusion culture. Features of a low-trust culture could include unclear job or goal descriptions, hands-off supervision, lack of openness to different ideas, talking behind people's backs, inability to admit and discuss mistakes, blaming others, hoarding information, etc. Higher-trust cultures have higher psychological safety, i.e., where people feel included and feel safe and supported to learn, contribute, and challenge the status quo. See *Developing an Inclusive Culture* on TREC's Resource Center for more on high-trust environments.

5. Start with formal leaders as recipients piloting 360-feedback (though see #3 "a culture of trust and safety" caveat above):
    a. Ensures leaders experience what it is like
    b. Models taking risks and responding effectively
    c. Allows easing in and ironing out kinks

    And if you do this, do not assume that other employees will see the process as positively, especially in a culture where leaders do not get negative feedback.

6. Build and model skill on giving and receiving feedback skills first: (see *Effectively Delivering and Receiving Feedback* on TREC's Resource Center) for the following:
    a. Supervisors
    b. 360-feedback recipients
    c. 360-feedback responders

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7. Design the process to be manageable, e.g.
   a. Spread evenly across the year
   b. Ensure the process is not onerous, e.g., manage steps, limit the number of questions.
   c. Provide feedback every two years (this gives staff time to work on opportunities identified – a shorter timeframe will likely end up delivering almost identical feedback).
   d. Be selective in identifying appropriate responders for each individual

8. Build-in mandatory pre- and post-steps
   a. Have a development action plan flowing from the feedback
   b. Regular supervisor-employee check-ins on the 360-feedback planning progress, learnings, etc.

9. Use outside guidance and resources to design and implement the process
   a. Consultant and/or coach
   b. Written and other resources (do not reinvent the wheel)

10. At a minimum, use an external service provider with appropriate expertise and capacity to administer the 360-feedback process. This not only increases employee trust in anonymity and objectivity, it also is more likely to create an effective process because of their expertise.

11. Budget consistently and equitably for personal development for all employees, coaching, courses, etc.

How TREC can help

TREC is not able to administer 360-feedback processes at the all-employee level given the resources required for this task. TREC can assist 360-feedback processes in particular cases for Executive Directors and senior managers or may be able to provide some assistance in helping you design an effective 360-feedback process– talk to your TREC contact.

Other Resources:

- TREC's online Resource Center (Various Feedback resource, Effective Executive Director Evaluations, and other management resources, toolkits, and webinars)
- **360 Degree Feedback: See the Good, the Bad and the Ugly.** *The Balance Careers* https://www.thebalancecareers.com/360-degree-feedback-information-1917537
- **Assess Pros and Cons of 360-Degree Performance Appraisal.** *Society for Human Resources Professionals.* https://www.shrm.org/resourcesandtools/hr-topics/employee-relations/pages/360degreeperformance.aspx *(SHRM login required to access)*

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