360° ASSESSMENTS – WHERE DO I START?

Seven Tips to Help You Create and Administer Successful 360° Feedback Surveys

by

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Let's say your CEO or manager has just returned from a conference emphasizing the importance of providing performance feedback to individuals in your company from a variety of sources. The conference included a case study of a company that improved retention of high performing employees by providing this 360° view of opinions to their employees. As a result, your CEO/manager has now decided it would be a great idea to implement such a system in your organization. Before you know it, you find yourself responsible for this fantastic and exciting new project. There is only one small problem: you've never created a 360° assessment, and have no idea where to begin. It may seem overwhelming at first, but by following these seven steps you can be well on your way with this process.

Surveying various constituents to provide feedback to each employee is not a revolutionary idea. Many organizations hesitate to implement this process. The most common reasons are that it is time-consuming and expensive. It's often treated as an event, not the strategic data gathering process it can be; the focus is often on the process, not on the outcome.

Background

If employees receive feedback only from their managers, they are acting on limited information. If employees receive feedback from other people with whom they work (360° feedback), then they can act on a more complete picture of perceptions. As 360° feedback has evolved, the range of people who give feedback has diversified. Many 360s now include feedback from suppliers and customers, in addition to the traditional sources from within the organization (direct reports, peers, managers, team members). Although most leaders are somewhat aware of their strengths and weaknesses, 360° feedback does more than support leaders' hunches. 360° feedback is explicit, credible and anonymous.

Following these steps can help you become more confident in conducting effective 360° assessments.

STEP #1: DETERMINE THE OBJECTIVE

It is important to identify the assessment objective before beginning the assessment process, large or small, because the objective is the reference point that guides the assessment. The objective influences the number and types of questions and helps shape content and administration. When making decisions in other areas of the assessment process, you can return to the objective statement to ensure that what is being asked will achieve the desired result.

What will the results of 360 feedback reports be used for? Will this be a system focused on leadership, coaching, management development, or performance? Some organizations use 360s as a development or coaching tool only. They link leaders' formal development plans to their feedback results. Other organizations use the results as both a development tool and as a factor in determining pay and/or promotions. They add relevance to the results by giving leaders an incentive to work effectively with various constituencies. Although there can be benefits of linking results with rewards, the system developer needs to exercise caution so that 1) participants do not directly or indirectly suggest to subordinates that they give good ratings and 2) peers do not agree to give each other good ratings.

Once the objective is determined, you will need to write a plan that includes key actions, dates, roles and responsibilities, as well as the resources needed to administer the assessments and communicate the results to the participants (employees being rated).

STEP #2: DETERMINE THE ADMINISTRATION METHODOLOGY

What is the best way to reach the intended audience? In today's world you can administer a 360° assessment electronically via the Internet or Intranet, as a paper and pencil process, or with a combination of the two. Phone deployments are also used. In this article we primarily focus on web-based assessments. The big advantage of administering a survey electronically lies in the capability to import the responses quickly and inexpensively. A Web-based process also crosses geographic boundaries easily, and can provide economic advantages based upon scale and volume of participants. Where electronic methods are not possible, paper and pencil assessments work very well.

The range of electronic/web-enabled assessment tools ranges in features, functionality and price. Some systems allow you to create and post the assessment on your own in-house server. Others have a system where they host the assessment on the vendor's server, but provide you access to status information and reports. Questions to ask as you talk to vendors include:

- *How flexible is the application for our needs?*
- *Where does the application reside – on our server or yours?*
- *If the application resides on your server, what information and reports can be accessed internally?*
- *How long will the reports be kept on the server for viewing?*
- *Do you have a library of competencies and behavior-based statements to share with us?*
- *Will we need to use your consulting services (e.g., ongoing coaching, OD work) if we use your 360° assessment?*
- *How is the application priced – one time fee, fee per participant, fee for each completion of an assessment or a combination?*
- *If the assessment is lengthy, can respondents stop at any given point of an electronic assessment and come back to it while retaining already entered answers?*

STEP #3: DESIGN THE ASSESSMENT

The 360° process is based on a survey/assessment. It generally includes items (questions) that are related to the organization's goals and to the participant's roles. These questions can be about technical and soft skills, values and behaviors. Here are some sample items…

- *Encourages the open and candid expression of ideas and opinions.*
- *Is flexible in dealing with changing or new circumstances.*
- *Influences others to translate the organization's vision into action.*
- *Considers a broad range of issues or factors in making decisions.*

Survey items are organized by specific competencies (topics). There are usually 3 to 10 items per competency within a survey. Some common competencies are communication, employee development, and leadership. Many assessments have a number of questions ranging from 30 to 100. Take into consideration the audience who will read the questions. The language, difficulty of the vocabulary used and comprehension level of the participant will heavily weigh on the meaningfulness of the responses.

Multiple-choice items usually use a 1 - 4 or 1 - 5 rating scale. For example, 1=Disagree Strongly, 2=Disagree, 3=Neutral, 4=Agree, 5=Agree Strongly. Some administrators prefer to force raters to have an opinion by eliminating the middle choice like 'neutral'. Many administrators give a 'not applicable' choice for respondents. Most surveys also include one or two open-ended comment questions, such as: *"Which aspects of leading and managing change does the individual do well?"*

The number of people (raters) who complete the assessments is usually in the 8-15 range. It is important to not go much lower than six people, in order to maintain the anonymity of respondents. One question to ask in this phase of the process is how many types of people will rate the employee – will you group all raters into a group called 'other', or will you want the raters identified by their relationship with the participant (e.g., direct manager, peer, direct report, customer, other). Another question to ask at this point is who will select the raters? Will it be the participant, the participant's manager or the assessment administrator?

Also, this is the time to decide if you want to deploy the assessment for all participants at once, in several groups, or individually (e.g., on an anniversary date). Sometimes a pilot group is given the assessment before a full rollout is completed.

Careful preparation of the assessment will pay off in the end. Questions/statements should be designed carefully in order to gather the desired information in an unbiased way. Some vendors provide a library of questions that you can choose from to build your assessment. Limiting response scales to one or two types is a good strategy to keep the survey simple. Some assessment administrators like to group questions by topic in the survey; other administrators like to "mix up" the questions for respondents to answer.

STEP #4: <u>COMMUNICATE AND ADMINISTER THE ASSESSMENT</u>

Tell the respondent group (both participants and raters) in advance about the assessment. They need to know why the assessment is being conducted, how the information gathered will be used, and when and how the assessment will be administered. In most situations, participants need to be assured of anonymity. You can use memos, e-mail, meeting announcements, or a combination of some or all of these methods.

For all organizations, there are good and bad times to do assessments. Do not administer a survey during crunch times. Choose a time of low organizational stress, if possible. The timing of the assessment may be dependent on your objective for the assessment (e.g., coaching, tied-to performance).

If raters have to go through long assessments and have to assess a lot of people, ensure that they will be able to save responses and return at a later time to continue the assessment. You cannot always assume that raters will have the undivided twenty minutes of attention it takes to honestly answer some 360 degree assessments.

The success of these evaluations also resides on the fact that all participants are rated by a sufficient number of people for the results to be meaningful. Make sure there is a method in place to remind participants who have not completed their assessments. It can help sustain a widespread and meaningful participation throughout the organization.

STEP #5: <u>COMPILE AND ANALYZE RESPONSES</u>

If you use an electronic administration method, compiling the responses is already done as part of the assessment process.

On a web-based assessment process, there should be some flexibility regarding who has access to the reports. For a coaching assessment, perhaps the participant is the first/only person who sees the outcomes. Perhaps the first person to view the reports is the Assessment Administrator who sends the reports to the participants' managers. Each process can be managed differently based upon the organizational culture and the objective of the process.

For electronically-deployed assessments, the web reporting structure generally begins with a login page where the participant's manager or assessment administrator would enter his/her login and password information to proceed. Upon entering the reporting section, that person would then see whatever level of reporting was granted him/her based on pre-determined permissions (e.g., may see only reports for self, or may also see reports for a department, etc.).

You can attain some level of benchmarking within the organization by comparing a given individual's performance to her/his department or to the overall organization. This helps tremendously in raising the bar for all individuals assessed.

If you use paper and pencil to administer your assessment, you will have to do some data entry in order to start analyzing your results. For paper and pencil assessments, you might consider completing your reports via a survey software package or Excel. As you do your analysis, think about how you will communicate the results. What information is most important? What's the best way to display it: tables or graphs? Referring to the objective you set in the beginning and your survey plan will help you do a better job of communicating your results.

STEP #6: <u>COMMUNICATE ASSESSMENT RESULTS</u>

The report serves as the starting point in creating a participant's development plan. Often, the assessment administrator (or the participant's manager) sits down with each participant to present the report and begin work on a development plan. The administrator/manager is there to help the participant understand what the report implies about his/her skills. This feedback should include a balanced approach, focusing both on the positive feedback and on areas to be improved. Beyond that, the administrator/manager is there to help the participant identify the development opportunities that may provide the best pay-off, when comparing efforts to results.

STEP #7: <u>THE DEVELOPMENT PLAN</u>

The person who is sharing the results with the participant (the coach), needs to have a good understanding of the results:

- Self – Others Reports: compare the scores given by raters with the participant's self scores.
- Rater Category Reports: for overall and topic results, look for differences among rater categories.
- Item Level Reports: look for highest and lowest rated items overall, highest and lowest by rater category (e.g., peers, direct reports), and consistency by category.
- ALSO: if scores are mostly high or low, look for relative highs/lows.

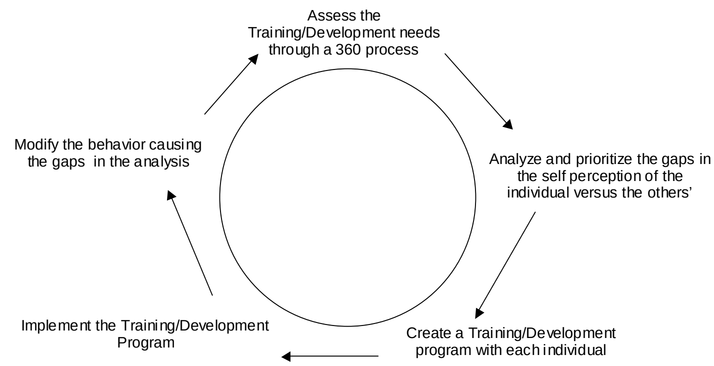
The coach should schedule time to sit down with the participant to discuss feedback. Give the participant the following advice:

- Be open to the feedback.
- Look at the high scores – understand what raters have said that you do well.
- Look at the low scores – what group of raters does this information come from? Is it for an entire competency area or just for individual questions?
- If you feel that the feedback is inaccurate, take it for what it is: this is how you are perceived.
- Acknowledge to the raters that you have received your results.
- Ask raters for more feedback. Try to build bridges by asking for their help/advice.

If the assessment process is stopped after the participant sees their feedback, the organization has missed a strategic part of the process – how to help participants plan to make changes where necessary (and support the areas that were scored highly). An effective approach in developing an action plan is to:

- Prioritize 2-3 strengths to leverage over the next year (strengths are top-rated areas)
- Prioritize 2-3 areas to improve over the next year (areas to improve are bottom-rated areas)
- For each strength and area to improve, commit to at least 2 actions for the upcoming year that will offer the greatest return (to both the participant and to the organization). These actions may include, but are not limited to formal training and development.

The next time the participant is rated, everyone wants to see measurable change that can be attributed back to the assessment system. Once you put the action plan in place, follow-up assessments can measure the change in participant and rater perceptions. This concept also refers to the continuous improvement process below:



CONCLUSION

Successful 360° assessments require planning and a commitment from everyone involved. By using current technology and following these steps, you can make the process of designing, administering and analyzing 360° assessments a positive one. With assessment software that automates the process, assessments can be done quicker and at lower cost.

Therefore, making 360° assessments a process in your organization can help you keep your leaders on track, enable you to measure the gains in employee performance and leadership, and therefore improve your overall organizational performance.

ABOUT THE AUTHOR

Marcie Levine is CEO of SurveyConnect, the provider of intuitive assessment applications, survey software and survey services to organizations. The company's ActiveView 360 Plus online assessment tool streamlines the 360° assessment process, and their Survey Select Expert product supports Web and paper-based survey design, administration, analysis and reporting. SurveyConnect continues developing new technologies that leverage its strong software development philosophy and provide customers with state-of-the-art Internet/Intranet compatible surveying solutions. With both products and services expertise under one roof, SurveyConnect can help companies achieve their data collection and analysis needs. To contact Marcie Levine, please call (800) 945-0040 or e-mail her at mlevine@surveyconnect.com.