



# Why 360-degree feedback no longer works

What you can do about It



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**3**60-degree feedback has, over the past 30 years, become the norm in many organizations. It is sometimes called multi-rater feedback, or multi-source assessment (MSA). By whatever name it is known, it has become *de rigueur* in American business. Some estimates are that as many as 90% of the Fortune 500 make use of 360-degree feedback and as many as half of all American businesses do the same.

How is it working?

Chances are, not as well as it could. And not as well as it used to.

What's wrong with 360-degree feedback as it is used today? And what can you do to make use of it most effectively in your organization? These are the issues I will tackle in this e-book.



I'll discuss 8 questions that came to mind when I began questioning the way that 360s are used today. Each question exposes a specific problem. These problems arise from a combination of historical accident, careless imitation, misconceptualization of definitions of leadership, and confusion as to the highest purpose of assessments.

After discussing why 360 feedback no longer works as well as it could, I'll close this essay by summarizing eight criteria to keep in mind if you seek to use 360 feedback in a way that truly works. First, the questions and the problems they each uncover.

## **1. For whom is 360 feedback intended?**

360 assessments were pioneered by the Center for Creative Leadership in the 1980s. Their focus was, and primarily still is, on leadership by senior executives. This is valuable work. And the assessments developed for executive use are valuable to leaders at that level. But the unique developmental opportunities offered to senior executives do not translate, without significant adaptation, to all others throughout an organization. Yet, many organizations—imitating the success that the CCL has had with executive development—have done just that: *imitated without adaptation*.

What makes executive development through assessments unique?

- a. Senior executives are usually highly motivated to learn and grow through feedback.
- b. The higher a person's role in a hierarchy becomes, the less unfiltered feedback he or she tends to receive in the absence of a process like 360s.
- c. In work with senior executives, such as by the CCL, feedback from 360 assessments is given in a highly controlled, time-intensive setting, with consultants and coaches who are highly skilled in the art of giving feedback.
- d. Leadership in such a setting is conceptualized as being a set of skills, traits, and behaviors possessed by an individual—the one who is designated as a “leader.”

*Executive assessment is a different animal from assessment that can be used effectively across all levels of leadership in an organization.*

These characteristics, I will maintain, make executive assessment an entirely different animal from leadership assessment and feedback that can be effectively used across all levels of leadership in an organization. More on this can be found in the ebook: *Averting the Leadership Development Crisis* available for free at

[www.BeyondMorale.com](http://www.BeyondMorale.com)

## **2. Development or Appraisal?**

In the beginning, 360 assessment was seen to be a development tool. It was not conceived to be used as a tool for performance appraisal. This distinction, in fact, remains a cornerstone of the philosophy of the CCL. As the use of 360s has grown, however, it has come to be used by some organizations for evaluation, not just for development. This has muddied the water.

There are several reasons generally given for using 360s for appraisal purposes. The strongest reason is to augment traditional top-down performance appraisals with a different perspective. This, though, strikes me as a more of an admission of the weaknesses of traditional performance appraisals than as an argument in favor of using 360s for the same purpose. We shouldn't try to fix something that's broken by importing a tool that was developed for an entirely different purpose.

Once you begin using 360s for appraisal purposes, you sow seeds of mis-trust and fear that are really hard to weed out once they take root. Tying compensation and/or promotion opportunities to the process is like adding fertilizer—the weeds grow that much faster. You trigger two unhelpful phenomena when you do this. First, you trigger a loss of trust. When trust goes, fear takes its place. When leaders become fearful of the consequences of 360s, they cease being open to the feedback they provide. They grow defensive. They lose sight of the development goals that purportedly, are still at the heart of the process. They begin finger-pointing and even become obsessed with discovering which rater rated them lowest and why. This defeats the purpose of the process. Games of deception set in. This leads to the next weed in the garden of 360s: gaming the system.



### **3. When don't 360s reveal the truth?**

Once leaders get defensive about their feedback, the people who provide the ratings start to play their own kinds of games. If they are peers, and know that they too will be rated by the person they are now rating, there develops a tacit agreement of *you-scratch-my-back-and-I'll-scratch-yours*. Subordinates, for their part, tend to take a *don't-rock-the-boat* approach to providing feedback.

Eventually, trust in the process disappears and its effectiveness wanes. 360s gradually become useless for developmental purposes and invalid for evaluative purposes.

The only situations where I've seen 360s work over the long run as a form of appraisal are in high-trust environments. Such environments are rare in American business.

On the whole, the move towards using 360s for appraisal purposes has hurt their usefulness in application more than it has helped.

### **4. Build trust or destroy it?**

The discussion above brings up the primary reason that 360s fail to live up to their hype. They won't work in a low-trust environment. And low-trust environments abound. Even if used in a high-trust environment, they can, if used wrongly, diminish the very trust levels they are intended to develop. So, be clear about your purpose when you use 360s.

If you question at all whether the trust level in your organization is strong enough to use 360s, then you may want to use, instead, their close cousin. I refer to organizational climate surveys. These are similar in administration to 360s, but the questions asked focus on the organization itself, not on the attributes of a single person. People may feel a lot safer responding to a climate survey than to a 360, and leaders may accept the feedback about organizational culture more readily than they do when the feedback is directed specifically at them, as individuals.

*The primary reason that 360s do not live up to their hype is that they do not work in a low-trust environment.*

## **5. Who or what is the subject of feedback?**

When leadership is defined as a set of skills or attributes possessed by a person known as “the leader”, then it follows that the sorts of questions asked in a 360 feedback survey all deal with that person’s skills or attributes. The wording of survey questions can vary. They usually provide for gradations of responses according to some sort of Likert scale (from low to high). Instructions for the respondent may read: rate how strongly you disagree or agree with the following statement: “This person (named) delegates effectively.” Or “This person (named) communicates important information freely with others.” The important thing to note, for purposes of our present discussion, is that the focus of feedback is on the individual who is being rated.

An organizational climate survey, on the other hand, doesn’t focus on characteristics of the individual, but on characteristics of the organization, itself. Questions may read: “In our (company, workgroup, team) important information is communicated freely.” Or “In our (company, workgroup, team) work is delegated effectively.”

It is easy now to see why the first approach requires high levels of trust in the organization. And why the second feels safer. But climate surveys, being vaguer in their referents, leave people unclear as to who is to act differently as a result. This invites employees to sit back and say, “There. You have our opinions. Now, let management take care of fixing what’s wrong.”

There is a third, rapidly adopted approach that encourages more honest input and yields more actionable insight. It was pioneered and developed over the past 20 years by the psychologist and organizational consultant, Shay McConnon, of the U.K. Shay recommends designing 360s with rating statements that are worded in the only way that respondents can truthfully

answer them. Word your rating statements from the point-of-view of the respondents themselves. For instance: “I feel that work is appropriately delegated to me” or “I feel that important information is communicated to me regularly.”

This is a powerful approach to 360s!

It builds trust by focusing on the only thing that any respondent can truthfully say about a leader. That is: how “I” feel about, or respond to, or perceive another person’s actions. The recipients of feedback, when it is worded this way, will be less defensive than otherwise, will be encouraged to enter into dialogue about what it means, and will be more prone to look in the mirror to ask, “What can I do differently as a result?” This subtle difference in verbiage overcomes two serious limitations that are built-in to the way that 360s are typically used by organizations. I’ve hinted at them already, and will now discuss each in turn. They are closely related.

## 6. What is leadership?

There are probably as many definitions of leadership as there are books on the subject. That got me wondering, “How many books on leadership are there?” Well, I just did a search on Amazon and this bookseller alone, offers today 61,990 books with *leadership* in the title. It’s a vast field. Suffice it to say that most of these books take the stance that leadership is a set of attributes, skills, or behaviors possessed by a person who fulfills a role known as “leader.” That was, as well, the working definition of leadership behind the pioneering work in 360 assessments. Here, again, Shay McConnon takes a different approach. Shay contends that leadership is most appropriately viewed as a partnership between the leader and the led. Leadership is a matter of relationships. Consequently, leadership should be assessed using 360s that focus on that relationship. A meaningful 360 survey does not talk about “me;” nor does it talk about “you.” It addresses you and me in relationship. A 360 built on Shay’s model builds trust and invites meaningful action by those people who can and should take action. Here’s what I mean.

*Leadership is a matter  
of relationships.*

## 7. Who is responsible for doing things differently?

Prevailing practices assume that the person who is being rated—the leader—is responsible for taking action on the results of 360 feedback. In this new

model, where leadership is about the relationship, not the person, the responsibility for taking action shifts. It's not one individual. It's "us."

If the respondents are an intact work team, then the team is responsible. If it's a department, the department is responsible. If it's an organization of 50,000 employees, it's all everyone in the organization. And when this shift in ownership of responsibility happens, extraordinary things

start to occur. The old way creates a dependency on management to fix things. This new way creates engagement and fosters responsibility from everyone involved in the process to make the changes necessary to perform better.



## **8. Who is qualified to interpret results?**

The way that 360s are commonly authored and administered, a great deal of skill is required on the part of the person whose task it is to interpret and feed back the data to its recipient. This is why consultants are often deployed for this purpose. Being outside of the organization, they are more readily seen as objective and are less threatening than if the feedback were delivered by someone within the hierarchy of the organization. And, given the complexity of some 360 instruments, the interpretation is anything but straightforward. Interpretation requires someone well-versed in the methodology of that particular instrument.

This reliance on consultants for interpretation is expensive and it is time-consuming. Because it is expensive, its use is usually restricted to senior executives. And because it is time-consuming, the lag time between data collection and feedback can easily extend to weeks, even months.

If 360 feedback is so expensive that it cannot be used throughout the organization, then it never gets to where it could do the most good...to leaders at the front line of your organization. ([Get](#) the ebook on how to avert the leadership development crisis.) This quandary begs the question: Does a 360 process need to be so complex that it requires an expert to interpret and feed back the results? My answer is: it depends.

If leadership is defined as a solo act, meaning that the feedback is all about personal attributes, skills and behaviors of that individual, then maybe the skills of a highly paid interpreter are, in fact, needed. We're talking about feedback here that is very personal, and can easily be very threatening to the recipient.

But, if leadership is defined as a relationship, and the survey itself is designed to be straightforward, then the results are not as threatening, and any work team and its leader can, with a bit of support, interpret, discuss, and agree how to take actions on the results without a consultant to guide them every step of the way. This lowers the cost and allows you to expand the reach of your 360 process exponentially.

## **What can you do to avoid these 8 pitfalls just discussed?**

If you find that your 360 practices are not working as well as they used to, or if you have considered implementing a 360 process but have been reluctant to try it for the reasons discussed above, then reflect upon the answers you would give to the following 8 key questions. Then, build your 360 process in a way that supports your answers.

1. For what levels of leadership is your 360 feedback intended?
2. Do you intend to use it for developmental or for appraisal purposes?
3. What steps can you take to ensure that your 360 practices don't lead to obscuring the truth?
4. What steps can you take to ensure that your 360 practices build trust rather than destroy it?
5. Who or what is the subject of the feedback?
6. How will you define leadership?
7. Who will be responsible for doing things differently?
8. Can you develop a process that does not need complex and expensive interpretation?

These are the guidelines that came to my mind as I set out to investigate why 360s no longer work as well as they once did, nor as well as they could. I wanted to create a better way.

## **A better way**

Instead, I found a better way had already been created... by Shay McConnon, whose name I mentioned earlier.

So, rather than reinvent the wheel, Shay's model of an effective 360 process is available from Beyond Morale.



We could go into more detail about this program—its content, methods, and outcomes. But it may be best for you to see it for yourself.

If you agree with the precepts outlined in this e-Book, and you want to learn how top performing organizations have unlocked workforce strength, productivity and innovation, then you owe it to yourself and to your organization to contact *Beyond Morale™*. It has been proven over the last several years to be the answer to overcoming the failures in 360 practices.

Here are two simple ways you can take the next step towards averting the leadership development crisis.

- To learn more about this unique program, go to: <http://www.beyondmorale.com/better-place-to-work/>.
- Or, call 336-288-8226 to have a *Beyond Morale™* expert arrange a web conference with you to demonstrate this time-tested proven breakthrough one-of-a-kind program.



## About the Author



Dr. Cliff Hurst received his Bachelor of Arts from the University of Virginia and his MA and PhD from Fielding Graduate University. Prior to becoming a full-time faculty member of Westminster College, he operated his own Organizational Development consulting practice for 24 years. Dr. Cliff previously taught as an adjunct faculty at the University of San Francisco, UC Berkeley International Certificate program, and at Santa Clara University. He also has prior experience in sales and marketing management in the recreational boating industry and served for 5 years as an officer of U.S. Marines.