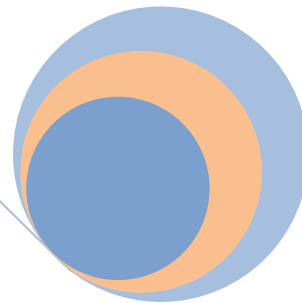
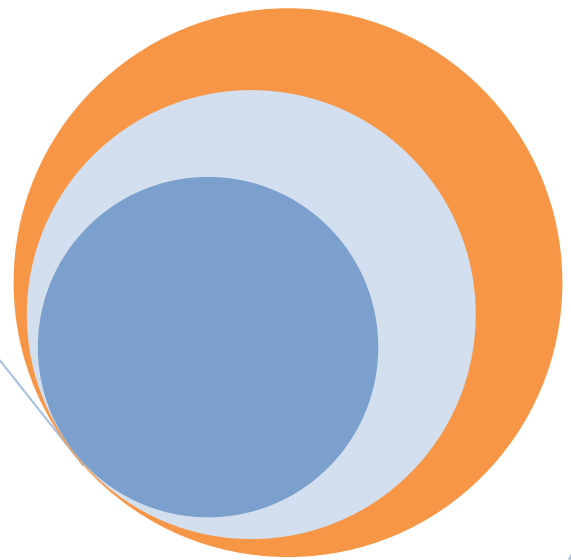


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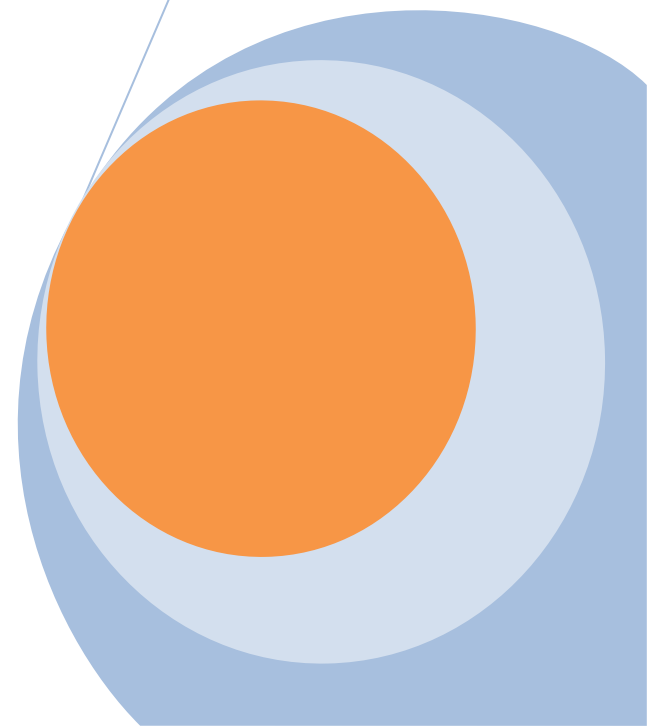


The 360 Degree Feedback Advantage

How this powerful process can change your organization

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The 360 Degree Feedback Advantage

“Champions know that success is inevitable; that there is no such thing as failure, only feedback. They know that the best way to forecast the future is to create it.” Michael J Gelb

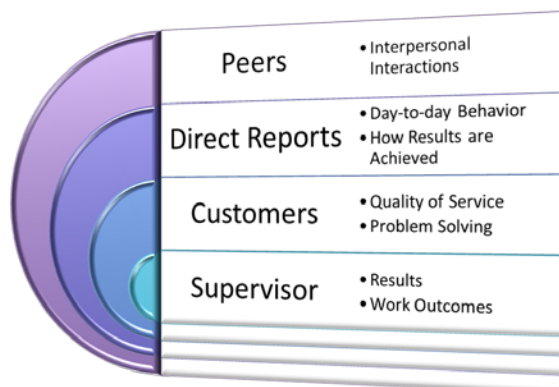
Let's be real: 360 degree feedback is one of the most commonly used and powerful tools at work in your organization today. Where else can your employees expect to hear such candid, relevant, re-occurring, and actionable feedback? In a time when organizations are striving to increase employee engagement – not only to increase retention, but also to increase service levels and performance, 360 degree feedback can serve as a powerful tool in the arsenal. This white paper serves as a reminder of the benefits of a solid 360 degree feedback program, as well as speaks to the potential impact this initiative can have on organizational success.

Individual Benefits

Multiple perspectives increase accuracy and motivation to change.

Time and again, 360 degree feedback has been demonstrated to be superior to single source assessments of performance. To start, assessments coming from one reviewer are often seen as biased and subjective – perhaps rightfully so. After all, managers are unable to observe all areas of performance and interactions, especially given today's virtual workplaces and wide spans of control. As such, managers shouldn't be the only source of feedback for either development or evaluation purposes. 360 degree feedback that incorporates multiple perspectives is perceived as more accurate and fair. Further, consistent developmental feedback coming from multiple sources can be especially powerful at cutting through a recipient's defense mechanisms.

When perspectives do differ, however, they are equally valuable in that they reflect the unique working relationships in place. For example, certain leadership skills are best assessed by a manager's direct reports, rather than by peers or supervisors. Managers can reference this diversity of feedback to provide more accurate, comprehensive performance reviews. Ultimately, whether feedback is consistent or varied, 360 degree feedback is able to provide the most complete picture of performance and skills.





Finally, research consistently shows that 360 degree feedback is more accepted by participants than supervisor evaluations alone, and in turn, is more likely to lead to specific developmental actions. Acceptance is facilitated by gaining new insight from credible sources on both strengths and opportunities for improvement. Acceptance of feedback is paramount in bringing about performance improvement and growth. No matter how accurate the feedback actually is, little will be gained by the individual and the organization unless feedback results in positive change and development.

Self perspective supports ownership for development.

360 degree feedback processes have always emphasized the importance of the self evaluation for encouraging individuals to gain a better appreciation for (1) how their own behavior impacts those around them, (2) how others perceive their performance, and (3) how their assessment compares to the assessments made by other reviewers. Gaps between self-ratings and the ratings provided by others send powerful messages. Studies have demonstrated that when discrepancies exist between self-ratings and feedback from others, the individual is motivated to reduce the discrepancy through behavior change. Additionally, self evaluations provide an opportunity for the individual to become involved with both assessment and development, which increases their buy-in and trust around the process.

While traditional performance appraisals sometimes include both self and manager reviews, the self evaluation during a 360 degree feedback process is more useful and powerful. Self ratings can be directly compared to a diversity of feedback groups including peers, direct reports, primary manager and/or co-managers, and even customers and other external constituents.

Organizational Benefits

Employee-Manager Relationship

Research has demonstrated that one of the strongest drivers of employee engagement is the employee-manager relationship. More specifically – people leave their boss, not their company. In a positive employee-manager relationship, the manager is playing the role of a performance coach rather than a performance judge. These managers focus on providing employees with clear goals that they are empowered to accomplish, yet welcome them to seek further guidance and assistance whenever necessary. They provide specific, timely, open and honest feedback with a constructive focus that helps their employees develop and improve. This type of feedback is best gleaned from the 360 degree feedback process, as the manager is able to use the specific performance examples provided by the range of different reviewers to more fully understand and change problematic performance situations.

Culture of openness and accountability

360 degree feedback facilitates open communication about performance because the process involves giving and receiving feedback from all directions in the organization — upwards, sideways and downwards. The implementation of 360 degree feedback sends the message



throughout the organization that assessing performance and developing people are important to the business. Employees are asked to provide recognition to others for their positive impact and their strengths, as well as assist them in making improvements. Over time, this sharing of performance feedback becomes an accepted norm. More specifically, 360 degree feedback can provide an excellent forum for participants and their managers to talk openly about performance, and plan ways participants can further develop their capabilities. In addition, feedback from different perspectives (including self-ratings) makes it more comfortable for both participants and managers to focus on development in the future versus an evaluation of the past.

Finally, the act of inviting multiple others to provide 360 degree feedback can in itself be a powerful tool for motivating change and development. Individuals hold themselves more accountable for taking action, as they wish to avoid the appearance of ignoring the feedback that others took the time and energy to provide. Managers should encourage their employees to follow-up in a general sense with the group of feedback providers by communicating their development plans and progress on a regular basis.

Communicate and reinforce organizational values

360 degree feedback communicates and reinforces the organization's values around performance by communicating the competencies and behaviors that the organization values and believes drive organizational success. Competency-based HR strategies have been important drivers of organizational change for decades. Both the process and results of 360 degree feedback serve to clearly articulate the specific behaviors that drive performance in the organization. Over time, the use of 360 degree feedback reinforces those behaviors and provides a mechanism for measuring the demonstration of these behaviors.

Strengthen customer relationships

Nothing replaces the customer's perspective – and nothing sends a stronger message than asking customers to be involved in making their experience a more positive one. Involving external stakeholders in the 360 degree feedback process offers a unique and valuable perspective on individual performance. Soliciting feedback from customers provides employees with an opportunity to be recognized for their strengths and the greater impact that they have on the organization, while providing managers with insight into how service can be improved across the department or function. Customers appreciate having a voice in the internal assessment process and the opportunity to have their opinion heard.

Target training and development interventions

While the individual results of 360 degree feedback offer clear direction to employees, the aggregate or group level results supply vital information on the strengths and development needs of departments, functions, or job levels. By conducting an analysis of the aggregate 360 degree feedback results, organizations will have a complete picture of their strengths and development needs, leadership gaps, and training needs. Organizations can gain valuable insight



into the profiles of high and low performers. Utilizing this information, Human Resources can properly allocate investments and implement plans.

The Bottom Line

Calculating return on investment of 360 degree feedback programs can be tricky, as the real results can only be measured after individuals take action on the feedback and make subsequent development strides to address the feedback. All too often, organizations devote more attention to the actual 360 assessment process than they do the action planning, development support, and accountability mechanisms. As such, ensuring that participants create and execute on a development plan is essential to delivering the returns the organization is seeking. ROI research demonstrates promising outcomes following a 360 degree feedback initiative. A multitude of studies show linkages between 360 degree feedback and a host of other measures including higher performance, service quality, and employee engagement and retention. Further, managers involved in 360 degree feedback processes have a better overall focus on succession and development, and as such, are able to more effectively develop their talent for future leadership positions.

Consider viaPeople, Inc.

viaPeople's flexible and innovative 360 Degree Feedback solution allows organizations of any size to implement a 360 degree feedback to meet their unique needs. Our software supports multiple assessment options and languages, and powerful, yet easy-to-interpret individual and aggregate reporting.

In addition, viaPeople's team of Industrial Organizational Psychologists have decades of experience and domain expertise in creating strategies and implementing successful 360 degree feedback initiatives. Our Consultants have the knowledge, experience and proven success to work with your organization to develop a custom solution that will meet your goals and align with your company's strategy, values and culture. We can assist you all aspects of the implementation, including:

- Defining the purpose and process of the 360 initiative,
- Constructing 360 assessment tools,
- Leading team 360 degree feedback sessions,
- Delivering one-on-one feedback sessions to leaders at all levels,
- Presenting aggregate survey results and recommendations to executives, and
- Linking 360 results with bottom line performance measures.

About viaPeople, Inc.:

viaPeople, Inc. is a performance and talent management software and consulting services company. By combining the science of Industrial Organizational Psychology and an advanced, fully integrated technology platform, viaPeople, Inc. offers the time savings and cost efficiency of online implementation, the flexibility to customize to a client's specific needs, and the domain



knowledge to help clients measure and improve the return on their investment in human capital.
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