

Feedback for Performance: 8 Tips for Conducting 360 Degree Performance Reviews

Research has shown that traditional performance appraisals fail to provide an accurate view of performance. One of the most effective ways to improve the process is to incorporate a 360 degree feedback assessment. 360 feedback provides more points of reference and facilitates a more meaningful developmental conversation between manager and reports. We recommend the following 8 tips for conducting 360 degree performance reviews:

- 1. Understand the differences in use and purpose** - there are differences in how a 360 degree feedback survey should be used for development as opposed to appraisal. Scores are typically elevated when 360 feedback is used for appraisal purposes because raters recognize that results can impact a person's compensation and career progression. Understanding that scores will differ depending on the purpose will help in determining how best to use and interpret the scores. These differences should be taken into account when determining how to use and interpret the results.
- 2. Communicate the purpose and process** - let employees know the intended purpose before administering the assessments, as well as how the results will be used. Communicate the process and hold to it. Train the organization on how to provide accurate ratings.
- 3. Do one practice cycle** - if you are starting to use 360 degree feedback for the first time, wait until the second year of use before tying raises, promotions, etc. to the appraisal results. This allows people to become familiar with the process and comfortable with providing feedback.
- 4. Manage rater selection** - if participants select their own raters they may be tempted to "stack the deck" in their own favor. This can be solved by selecting raters on behalf of the employee or having the person's manager review the list before it is finalized. Be sure that the selected raters have regular interaction with the employee being rated and can provide accurate feedback as to performance.
- 5. Use small but relevant rater groups** - consider the number of people that will be involved in providing feedback. 360 degree appraisals involve more of the organization in terms of providing feedback. Each person (especially managers), may be required to complete multiple evaluations. We recommend limiting the selection to 3-5 people in each of the peer and direct report rater groups.
- 6. Consider the rating scale** – when 360 assessment is used to drive performance, we recommend using a 7-point Likert scale, rather than a 5-point scale. This allows for greater differentiation in scores.
- 7. Keep the survey concise** - design a survey that is short enough that it can be completed in 15 minutes. We have found this to be approximately 45-55 questions. Any longer and raters tend to experience rater fatigue, often resulting in all scores falling in the "good"

range – an inaccurate positive skew. The shorter the survey, the more apt raters are to take the time needed to give accurate information.

- 8. Use a 360 assessment that measures the “What” and the “How”** - 360 assessments for development should include questions geared at behavior (the how), while appraisal assessments can focus more on performance (the what). 360 survey questions should reflect these differences in design. Be aware that most off-the-shelf surveys are designed for developmental use, not for appraisals. So, be sure to choose, or develop, the survey that matches your appraisal process.

Adapted from 10 Tips for Conducting 360 Degree Performance Reviews by Charles Rogel