

WHY 360-DEGREE FEEDBACK DOESN'T WORK

According to Jeffrey Pfeffer, Ph.D., Stanford University professor of organizational behavior, "If we practiced medicine like we practice management, we would have much more malpractice and a lot of mortality and morbidity."

The same seems particularly true of feedback interventions — research suggests that in one-third of all published studies for these cases, performance actually decreases. With an estimated 90 percent of all Fortune 500 companies using 360-degree feedback, it's time to understand the facts that vendors and coaches won't tell you about the limitations of such feedback interventions.

Despite its popularity, there are only a handful of longitudinal studies about 360-degree feedback processes. Although most suggest feedback can be useful and powerful, the claims of performance improvement and behavior change as a result of 360-degree feedback often have been overstated relative to evidence available from published research in this area.

WHAT MOST VENDORS WON'T TELL YOU

- Most 360-feedback instruments measure competencies that are highly correlated with one another, making it difficult to discern specific areas on which to focus developmental efforts.
- It is common to use average scores as a method to summarize rater input in 360-feedback reports, but without some indication of rater agreement, it is easy to misinterpret "polarized" feedback, leading to behavior change that might actually be inappropriate.
- Correlations among rater groups

are only modest, inviting difficulty in knowing what the differences among groups really mean or where to put one's energy to modify behavior.

- Employees who tend to underestimate their skills and abilities likely will focus more on what they aren't doing well rather than their strengths, despite popular books and consultants who argue

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that leveraging strengths is more successful than emphasizing what we don't do well.

- Little research exists about whether qualitative or quantitative results in feedback reports optimize acceptance and behavior change.
- The effect size of behavior change with 360-feedback interventions is typically very low, suggesting we must be realistic about how much employees will actually change or become more effective.

Although widely used, most 360-feedback interventions aren't really structured to ensure what they are designed to accomplish: to enable talent to modify important behavior and increase performance.

In fact, the majority of 360-degree feedback interventions might do more harm than good, unless an effort is made to use evidence-based best practices such as:

- Provide facilitated feedback by an internal or external consultant to increase understanding and acceptance of the results.
- Link the 360 feedback to another

human resources development system.

- Use 360-feedback assessments with established psychometric properties.
- Hold managers accountable for evaluating progress on a measurable and behavioral development plan.
- Build a balanced score card metric of developmental planning of high-potential talent into the leader's annual evaluation.
- Build in a mechanism to measure



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employees' behavior change either by repeating the 360-feedback process or using more frequent and abbreviated change surveys.

- Pay internal and external coaches using 360-feedback processes for behavior change and results, not just for coaching.
- Ensure the 360-degree feedback reports have both qualitative and quantitative sections to appeal to diverse learning styles and have at least some way to evaluate rater agreement to clarify accurate interpretation and use.

Organizations and practitioners must recognize the limitations of 360-degree feedback intervention for facilitating behavior change and work to eliminate the potential pitfalls if they want to avoid professional malpractice. **TM**